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**CHILD CARE FOR WORKING FAMILIES: REAL  
WELFARE REFORM**

Y 4. L 11/4: S. HRG. 103-541

Child Care for Working Families: Re... **ING**

BEFORE THE

SUBCOMMITTEE ON  
CHILDREN, FAMILY, DRUGS AND ALCOHOLISM  
OF THE

COMMITTEE ON  
LABOR AND HUMAN RESOURCES  
UNITED STATES SENATE

ONE HUNDRED THIRD CONGRESS

SECOND SESSION

ON

EXAMINING WELFARE REFORM ISSUES, FOCUSING ON CHILD CARE  
FOR WORKING FAMILIES

FEBRUARY 24, 1994

Printed for the use of the Committee on Labor and Human Resources



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# CHILD CARE FOR WORKING FAMILIES: REAL WELFARE REFORM

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THURSDAY, FEBRUARY 24, 1994

U.S. SENATE,  
SUBCOMMITTEE ON CHILDREN, FAMILY, DRUGS AND  
ALCOHOLISM, OF THE COMMITTEE ON LABOR AND HUMAN  
RESOURCES,  
Washington, DC.

The committee met, pursuant to notice, at 10:12 a.m., in room SH-216, Hart Senate Office Building, Senator Paul D. Wellstone, presiding.

Present: Senator Wellstone.

## OPENING STATEMENT OF SENATOR WELLSTONE

Senator WELLSTONE. The Subcommittee on Children, Family, Drugs and Alcoholism of the Committee on Labor and Human Resources will come to order.

What I would like to do is call up our first two panelists, Tamera Daly and Richard Stolley.

First, for the panelists and all those of you who are here today, I want to say this is just a tremendous turnout. I want to express Senator Dodd's deep regrets that he is unable to be at this hearing. These are big shoes to fill for me. As everybody in this room knows, because this is a bit of a homecoming for many of you, thinking back to ABC legislation and what we have done with child care, Senator Dodd has been just a great leader in this area.

Senator Dodd is back in his home State of Connecticut with the President today on health care, but he wanted to thank everyone for being here today, and he particularly wanted to thank NACCRRA, which helped to put this hearing together.

Senator Dodd's written statement will be included in full in the record and that of Senator Durenberger.

[The prepared statements of Senators Dodd and Durenberger follow:]

## PREPARED STATEMENT OF SENATOR DODD

I would like to thank all of you for joining the Subcommittee on Children, Family, Drugs and Alcoholism for this hearing on child care. This is a timely issue for us to take up because I see it as central to the debate over welfare reform.

There is now a widespread realization that our welfare system is broken. It isn't working for the taxpayer, and it isn't working for the welfare recipient. Democrats and Republicans alike now ac-

knowledge that we need to devise a system that brings the rewards of work within reach of people now on living on public assistance.

There is consensus behind many of the elements that must be part of welfare reform. We need to create incentives for work. We need to provide job training. We need to guarantee health care coverage. In short we need to make work pay.

Yet, this will never happen unless we provide working families with the one support they need most—both financially and emotionally—quality affordable child care.

Too often, policy makers only mention child care as a postscript to the welfare reform debate. Providing child care in terms of the need to find a place to stash the kids so their parents can go off to job training or work. Rarely are the developmental needs of children discussed. This is a flawed approach. When we talk about welfare reform we must talk about child care—and by that I mean quality child care—in the same breath. I see child care as the single most neglected issue in the welfare debate.

No parents in America—whether rich, poor, or in between—should be asked to go to work if their children do not have a safe, loving and stimulating environment to turn to. If we cannot guarantee that safety net to parents then parent will not work. True welfare reform must acknowledge that simple reality.

#### CHILD CARE TRANSCENDS WELFARE REFORM

Child care, however, transcends welfare reform. It is an issue that cuts across the middle class and affects millions of Americans of all income levels. This morning, millions of parents—including three of every five women with a child under age 6—went off to work. tonight, many of them will participate in the “6 o’clock dash” to pick up their children before their child care center closes or the sitter has to leave. In between, they hope—and so do we—that their children are well cared for, fed nutritious meals and snacks and offered stimulating things to do.

Quality, affordable child care is many working families’ number one need. In two of every three families with children under age 18, both parents work. For these families child care is not a luxury. It is a necessity.

#### CHILD CARE AND DEVELOPMENT BLOCK GRANT

A little more than 4 years ago, I chaired a hearing on child care that hearing kicked off the final leg of a journey that eventually led to the enactment of a national child care policy. The end product, the child care and development block grant, was the first national child care bill in 50 years and the first ever to address comprehensively our Nation’s child care system.

The block grant provided funds to help parents pay for care. It encouraged States to increase the number of providers and make it easier for parents to find care. Most important, the bill gave States money to invest in quality. This last provision sets the block grant apart from any other source of Federal child care funds.

We have been flooded with reports of the block grants success in a number of States, some of which we will hear about today. Many States have raised reimbursement rates, allowing parents a greater



child care choice. They have invested in staff training, which is one of the keys to quality child care. They have expanded resource and referral services—the critical link between parents and providers. They have put more funds into licensing and monitoring, which is the only way to ensure that State standards are being followed.

The record of the child care and development block grant is clear: We can make a difference if we make an investment. But we must do more. We must go further.

#### MUCH REMAINS TO BE DONE

States still report long waiting lists for care. Parents still struggle to meet the high cost of child care and some, without assistance, are defeated and turn to welfare. Low-income parents still spend nearly a quarter of their income on child care.

Staff wages remain too low, and turnover is too high. Frequent staff changes erode the continuity that is so important to young children. The highest paid teaching staff earn \$15,488 a year, an increase of only 66 cents an hour over the past 4 years. Staff turnover is 26 percent a year, almost three times the overall rate reported by U.S. companies.

Health and safety concerns also remain. Reports by the Inspector General at the Department of Health and Human Services recently put the spotlight on this problem, and I agree that it must be addressed. We cannot underestimate the importance of quality. Child care is not just a place to stash the kids. It has a profound affect on their development.

A few weeks ago, the Senate passed landmark Goals 2000 legislation. The first goal of that bill states that by the year 2000 all children will reach school ready to learn. We have the expertise to reach that goal—we know how young children learn and what their needs are. And many of the witnesses here today will tell us about the astonishing successes we have had in revolutionizing the field of child care.

However, there is a huge gap in this country between what we know about young children and what we do for young children. That gap must close and all of you here today are playing an integral role in making that happen.

Child care is not a neutral experience for children; it always has some kind of developmental effect. It may be a good one, or it may be a bad one. But child care will have an impact on a child's future. And that child will have an impact on our Nation as a whole. It is our job to make sure that the child care experience is a positive one.

I look forward to the discussion of these and other issues today, and I would like to once again thank all of our witnesses for being here.

#### PREPARED STATEMENT OF SENATOR DURENBERGER

Good morning, I am pleased to be here this morning with all of you. I am particularly happy that we have a witness from Minnesota, Tamera Brakke Daly, here today. We also have a number of child care representatives from Minnesota here as well.

A lot of people are working on welfare reform—the President plans to have legislation out sometime this year; the Senate and House Republicans and Democrats are working on their own proposals, interest groups and other organizations have prepared proposals and finally, States and communities have been coming up with some very innovative ideas.

At the heart of all this is a big question—what do we do with our children? How do we make sure that they receive the attention and care they need when their parents go to work? Many policies seem to favor individuals who are on public assistance when it comes to making child care available. People who really want to work—like Tamera Daly—are often left with no choice when it comes to seeking child care. They go back on public assistance because it is the only way that they can obtain child care for their kids.

Your story is very compelling and today appears on the front page of today's St. Paul Pioneer Press.

[The article referred to follows:]

[FROM THE ST. PAUL PIONEER PRESS, FEBRUARY 24, 1994]

## AFFORDABLE CHILD-CARE DILEMMA KEEPS MANY ON WELFARE

BY LINDA FULLERTON, STAFF WRITER

Tamera Brakke Daly, a divorced mother with two young daughters, worked her way off welfare twice since 1990. But each time she got a steady job, the State withdrew the discounted day care that allowed her to keep it.

Unable to afford the market rate for child care, the 28-year-old Rochester mother last December was on the verge of quitting a \$6.25-an-hour job she had held for a year.

She chose instead to fight the system. Brakke Daly first complained to Child Care Resource and Referral in Rochester, then to the Olmstead County Commission. Today she will testify before a U.S. Senate committee in Washington, DC, about her 4-year struggle to find low-cost day care and keep her financial independence.

Brakke Daly finally found good child care that was subsidized and affordable. But her difficulties highlight problems in Minnesota's welfare programs that are unlikely to change in 1994, even as the legislature prepared to overhaul the system, rewrite laws and shift the focus to employment.

Demand for day care that low-income Americans can afford outstrips government spending, and many States are grappling with how to deal with it.

"Society has more to lose when it doesn't provide this service," Brakke Daly said. "My employers spent time and money training me. When I work, I'm a taxpaying citizen."

In Minnesota, Gov. Arne Carlson's ambitious welfare package stops short of investing new dollars before July 1995 for sliding-fee day care—care for low-income workers who are trying to stay off welfare.

Parents are charged substantially less than market rates for sliding-fee day care, based on their ability to pay. They can use most child-care providers, with the government paying the difference.

"We love welfare reform," said Chris Halvorson, assistant director of the Legislative Commission on the Economic Status of Women. "But we worry about the long-term effect of having a lot of people move into the work force without enough sliding-fee child care."

DFL Sen. Pat. Piper, who sits on the commission, is sponsoring a competing bill to end the day-care shortage. Its cost: \$32 million. On March 1, child advocates, church congregations and other groups will hold a news conference to call attention to the problem and to endorse the bill.

But even supporters admit the large spending request will be unpopular in an election year. "The public is concerned about welfare fraud and people not having the incentive to work," said Minneapolis City Council Member Kathy Thurber, a supporter.

"Their antennas go up when they hear the term 'subsidized day care,' and they say, 'Why aren't you cleaning up the system?'" she said. "People don't understand that the sliding-fee day-care service support poor people to work."

#### LONG WAITING LISTS

Today there are 7,700 poor, working families on waiting lists that are years long for the low-cost service. Their numbers have more than doubled since 1993, and keep growing, according to the Human Services Department.

Brakke Daly's 4-year wait shows the hardships many low-income parents face trying to keep their jobs while caring for their children.

Newly divorced in January 1990 and lacking a college degree, Brakke Daly applied for Aid to Families with Dependent Children. By March she landed a full-time job at a mental health center, where she earned \$7.45 an hour.

In three months she had worked her way off AFDC. Brakke Daly now was entitled, under AFDC rules, to a year of low-cost day care for her two children, Jessica and Emily. Then she would be eligible for the sliding-fee program, and she already was on a waiting list for it.

In 1991, Brakke Daly got the bad news: Her name was not high enough on the waiting list for the sliding-fee services.

"There was nothing I could do," Brakke Daly recalled. "I had to quit my job and stay home with my kids. I had been able to support my family and then all of a sudden—boom—everything was gone."

#### WORSE OFF WITH JOB

Brakke Daly persisted.

Six months later she was hired at a beauty salon at \$4.35 an hour, about minimum wage. But her expenses for child care, clothing and food exceeded the extra income allotted in her grant to cover them. She was worse off financially for taking the job, but continued working for a year.

In November 1992, she found a full-time job at \$6.25 an hour, working for the Ability Building Center. Brakke Daly was hired as a work-site supervisor for disabled adults, and once again was able to leave welfare.

This time, Brakke Daly felt sure she would gain access to the sliding-fee program after leaving AFDC for a year.

History repeated for Brakke Daly. One year later she was informed that her name wasn't high enough on the list.

"I was outraged," Brakke Daly said. "I thought, 'How could this happen? Why is the system forcing me back onto to AFDC?'"

Brakke Daly then contacted Child Care Resource and Referral, the agency that manages the subsidy program for Olmstead County. She also scheduled a meeting with the county commission. Less than a week before she was to testify, Brakke Daly was granted the sliding-fee day care.

Although Brakke Daly is pleased by her victory, she noted that there are 200 to 300 other Olmstead County families waiting for services. She traveled to Washington, DC, with staff from her child care agency to urge Federal officials to spend more on Child Care Development Block Grants.

Compared to other States, Minnesota has an excellent record of providing human services to individuals in need. Yet, even in a State like Minnesota, you had to wait 4 years to qualify for Minnesota subsidized, sliding-fee child care program.

I thank you for and encourage you to share your story—no person who wants to work should have to go on public assistance in order to care for their children.

Senator WELLSTONE. The hearing is timed to coincide with your gathering, and there are many conferees who are here today. And Yasmina Winshee, the executive director of NACCRRRA, we give you a very special thanks. [Applause.]

I said to Senator Dodd's staff—and he has some great people working with him. While I feel a little bit of pressure filling in for such a fine Senator, this is a great opportunity because I know of the commitment of the people who are here today, and so I just want to start out with a few brief words.



First of all, when I was a teacher, I used to tell the students: Try to think about what makes you think about politics the way you think about politics. In other words, what shapes your viewpoint? What happened in your life—is it family, is it religion, is it the neighborhood you grew up in, or is it a personal experience?

My wife Sheila and I were married when we were 1 week 19; we had a child when we were 20. I was a student at the University of North Carolina, working, and she was working, and 6 weeks after David was born, we had very little money, and Sheila had to go back to work.

So what would we do about child care? This was many years ago, but it is still such a pressing issue. We took David to a woman whom we had heard about, and we heard that she was fine, but we noticed after about 6 days of picking him up—and he is 6 weeks old—that he was just lethargic; he had no expression. We did not know what had happened, and finally, we paid a visit to this home in the middle of the day, and we realized that what had happened was that the woman who was taking care of the children had entirely too many children, so she put each one in a playpen, with a pacifier, and she never picked them up the whole day.

Back then, you were made to feel very guilty if you were both working. But we had to. And I remember calling my parents at the age of 20, saying: I am dropping out of school. This is just horrible what we are doing to our own child.

The point is whether we are talking about welfare reform, whether we are talking about something which I think is really very, very significant, which is families and support for families and support for people who work, men and women, and therefore support for children, none of us should be put in that position where we are working, we are trying to contribute to the country, but we have no assurance that we are able to afford not custodial, but developmental, high-quality child care, which is what I think we are talking about here today. [Applause.]

The other point I will make—and I promise not to take up any more of our valuable time—is that it is “Sunrise, sunset,” you know, Fiddler on the Roof. Now those children are grown up, and now we have a grand-daughter who is almost 3, that same David’s daughter. And I have forgotten since our children are in their 20’s, what it is really like with small children. In our apartment in St. Paul, which is small, no matter how many times she comes, every 15 seconds, she finds something interesting. The world, with all of its unnamed magic is before children when they are at that young age, and that is the time when there has to be the nurturing, that is the time when there has to be the support, that is the critical time if we want to reach all of our education Goals 2000 and all the rest.

So if all of us in public office, Democrats and Republicans alike, are going to want to have photo opportunities with children and say we are for children and say we are for families, then we are going to have to reach into the pockets and support developmental child care in the United States of America.

Finally, I know that Senator Dodd would say to each and every one of you, because many of you worked so hard on this, that we can take a look at the child care and developmental block grant

program, and we can see tremendous success. We can no longer use the excuse that we do not know how to do this. We know how to have really good child care within our country.

So as we look at welfare reform, let us be clear here today. You cannot have successful welfare reform without having strong support for developmental child care for children and families in our country, and you cannot have strong welfare reform unless in fact we make work work for families, whether they be AFDC, whether they be moderate income, or whether they be middle income or upper income. And the real point is that it is not just welfare reform. It is family reform, and that starts with expanding the child care and developmental block grant program, which is successful but reaches only a fraction of the children and families who need the support.

We can do better, and that is why we are here today. I thank you all for being here, and we will start out with Tamera Daly. [Applause.]

Tamera Daly, our first witness, will present in a nutshell the breakdown in our country from the point of view of support or lack of support for working families.

She is a parent from Rochester, MN who has come to share her frustrating story about trying to get child care assistance so that she could keep on working.

Tamera, Tammy, we appreciate your willingness to be here and to share your personal story, and I have read your testimony, and I think you make this issue very real. I think you take all the statistics and all of the debate, and you translate it into personal terms.

And since you are from the great State of Minnesota, I am especially glad that you are here today.

Tammy?

**STATEMENTS OF TAMERA BRAKKE DALY, ROCHESTER, MN;  
AND RICHARD B. STOLLEY, SENIOR EDITORIAL ADVISER,  
TIME, INC., AND PRESIDENT, CHILDREN CARE ACTION CAM-  
PAIGN, NEW YORK, NY**

Ms. DALY. Thank you. Good morning.

My name is Tamera Brakke Daly. I would like to share with you my personal experience as a single working parent with two daughters, and the obstacles I encountered while trying with all my energy to maintain my employment, independence and pride.

In December of 1989, with a brand new baby and a 2-year-old, I left my husband and my home to escape the insanity of my husband's chemical dependency. I became afraid for my own safety and that of my children. I felt that there was no way left for me to help my husband, and he was incapable of helping himself. I tried many avenues, but without his cooperation, there were no social supports available to keep my family together.

By March of 1990, I had moved from my parents' home to a HUD-subsidized apartment and had been receiving AFDC for only 2 months when I began working a full-time position at Zumbro Valley Mental Health Center. I was eligible for 1 year of transition child care assistance and in addition, my name was put on Minnesota's child care funding waiting list. I was thankful that I was

able to enroll my daughters in a day care center that provided dependable, quality child care.

In January of 1991, I received notification from Child Care Resource and Referral, Inc. that my child care assistance program would end in March of 1991 and that my name was not high enough on the waiting list to access the State child care funds. I instantly became overwhelmed with panic, because I knew that I would not be able to continue working to support my family without the child care assistance that I needed.

My monthly income was \$1,080, and the child care expenses for two full-time children was \$760. That left me with \$320 for rent, utilities, groceries, and all other basic needs.

On March 31, 1991, I resigned from my job and applied for AFDC. I walked out of the Olmsted County Social Services Department feeling stripped of my dignity, sick with despair, and frustrated and angry at a system that left me and my children at risk.

As required by AFDC, I attended a JOBS orientation in May of 1991 and was informed by Child Care Resource and Referral that they were anticipating additional funds for the State child care fund, and that I could begin looking for a job.

After 6 months of searching without success, I decided to renew my cosmetology license. I discussed my plan with Ed Duda of the Job Training Partnership Act, who agreed it was a good plan of action. Mr. Duda said that JTPA could help me with child care expenses while I took a 40-hour refresher course.

In February of 1992, I began full-time employment at The Hair Company in Rochester. I accepted minimum wage rate of pay only to remain eligible for AFDC. The result was that I really did not gain any independence. I soon realized the added expenses of clothing, lunches, fuel, plus the \$350 for child care exceeded the extra work incentive on my monthly AFDC grant. I also had to find additional alternate care because I often had to work evenings and weekends. That alternate care cost me \$4.15 per hour out-of-pocket. In short, I was financially worse off for going back to work.

I tried to alleviate some of this expense by asking the children's father to care for them on the evenings and weekends when I worked and when child care was not available. I hoped that this would also prove to be a good way for them to have more extensive contact with their father and that he would take more responsibility in raising them. Unfortunately, it did not work out that way. Although he had received some chemical dependency treatment, he was still drinking and not working. When I came home from work, he did not want to leave, and when he did leave, he often took with him whatever I had in the refrigerator. He ran up a huge phone bill that I am still struggling to pay, and because of his long-distance charges on my phone bill, I was denied long-distance service for many months.

I continued searching for a job that would have better wages, benefits, and more traditional working hours.

In November of 1992, I accepted a position with my current employer, the Ability Building Center, as a full-time work site supervisor for developmentally disabled adults. I was thrilled that I had found a job that would give me back my dignity and enable me to support my family independently.



And the system seemed to finally be working for me rather than against me. I learned from Child Care Resource and Referral that due to the length of time I was on AFDC, 19 months, I was once again eligible for transition child care for 1 year, and then, without a doubt, I would receive State child care funds after the end of that year.

I believed my battle was over and that from now on, I would never have to fear losing the foothold in the working world that I had established, or the self-confidence I had gained along the way.

But just 1 year later, history repeated itself. I was shocked to receive a notice from Child Care Resource and Referral that my transitional child care would end November 30, 1993, and that my name was still not high enough on the waiting list to access child care funds.

Certainly there was some mistake. I called Child Care Resource and Referral to explain to them what had happened, only to learn that there was no mistake at all. I was outraged. My income at that time was \$978 a month, \$100 less a month than it had been in 1990 when this same problem occurred the first time.

With my older daughter in school full-time, my child care costs would be somewhat less; however, it still came to \$300 even after a partial scholarship from the United Way to the day care provider was applied. So even though I was working full-time, the amount of money I had left to pay rent and utilities, buy gas and auto insurance, plus keep my children and myself clothed and fed, was \$678. And of course, now that I was no longer on AFDC, I also had to pay health insurance for all of us out of this small amount of money.

Although I knew it would be very difficult, I decided to give it a try. I hoped that the State child care funds might kick in by the end of the school year when I would need full-time care for my daughter Jessica, who is in first grade. But if it did not, I would have to deal with quitting my job once again.

In December of 1993, nearly 4 years after my name first went on the waiting list for the State of Minnesota child care fund, I was finally given the assistance and reduced day care costs I needed all along. Later that month, I went before the Olmsted County Board of Commissioners to tell my story. They needed to know how the lives of young mothers and their children are put into upheaval by the inconsistency between what our Government promises and what it delivers.

I hoped that my experience would help convince the commissioners that child care is an essential social service and not a program where lawmakers should be making budget cuts.

Today, I know that I have a rare opportunity to speak for myself, for my children, Jessica and Emily, ages 6 and 4, and for working single parents across the country. Senators, child care funding must be a priority to allow our country's single parents the chance to earn a living and raise healthy, productive, well-adjusted children. That is something that will benefit the whole society.

I would like to thank Senator Dodd and members of the committee. I am counting on your action to improve a lot of lives. Thank you. [Applause.]

Senator WELLSTONE. You have come a long way, Tammy, and as you can tell, your words are much appreciated by many, many people who are here today.

I think what we will do is go forward right now with Mr. Stolley and come back with questions. Let me introduce Richard Stolley to those of you who do not know him.

Mr. Stolley is a senior editorial adviser of Time, Inc., and president of the Child Care Action Campaign, a national coalition of individuals and organizations who are trying to improve the quality and cost of child care.

Mr. Stolley, who has been a reporter, writer, bureau chief, editor, and managing editor at Time, Inc., thoroughly understands the business aspects of these issues. I look forward to hearing his views this morning on this vital issue of child care.

All of us thank you very much for being here today, Mr. Stolley.

Mr. STOLLEY. Thank you. Good morning to Tammy, and thanks for your bravery. Good morning to Senator Wellstone and to the friends of child care behind me here.

This is an amazing turnout. When I saw the size of this crowd, I thought for a moment that I had wandered into the figure skating arena. [Laughter.]

Senator WELLSTONE. And if only we had the same media attention.

Mr. STOLLEY. Well, you have got me today, Senator. [Applause.] I am senior editorial adviser at Time, Incorporated and president of Child Care Action Campaign, known as CCAC.

We are a national nonprofit coalition of individuals and organizations whose goal is to improve the lives of children and their families by expanding the supply of quality affordable child care.

Let me say that it is a privilege to testify today on the impact of the child care and development block grant. I cannot help but think back to 1988, when there was no significant direct Federal investment in child care for working families; when States were overwhelmed by the demand for child care assistance; when families all over America clamored, unheeded, for help to ensure that their children were safe and well-cared for while they were on the job.

During that time, Senator Dodd came to CCAC's conference entitled, "Child Care: The Bottom Line on Financing," and called eloquently for the creation of a Federal program to help parents find and pay for quality child care.

Now, thanks to his and others' leadership and unwillingness to give up when the outlook was bleak, we can report that the Child Care and Development Block Grant has improved the lives of thousands of American families, more of whom than ever before have access to the care that children need.

Block grant funds are also being used to improve the quality of child care, to ensure that more children are in safe facilities, surrounded by loving adults who provide them with the attention and stimulation that they must have to grow and develop—exactly the kind of situation that you did not find in North Carolina.

But despite these gains, millions of families are still waiting for the help that will guarantee their children are safe while they are working, as you have just heard.

As the president of CCAC, a lifelong journalist, and a representative of corporate America, I come before you with a simple message, a simple plea: Quality child care is crucial to achieve this country's urgent domestic goals.

First, if we want to create and sustain a world-class labor force that is able to compete in a global economy, we must ensure that children are well-cared for so that their parents can work without distraction.

Second, if we want to achieve the first of our national education goals, that by the year 2000, every child will enter school ready to learn, we must expand and improve child care and link it with other early childhood program like Head Start and pre-kindergarten.

Third, if we want to end welfare as we know it, we must make child care available to the children of mothers struggling to make ends meet in low-wage jobs, as you have so eloquently heard.

The inescapable conclusion is this: We need more public investment in child care to bridge the gap between what quality costs and what parents can pay. Quality care is still beyond the reach of too many families without financial assistance. Currently, parents pay an average of \$3,300 per year for one child in full-time child care. The National Association for the Education of Young Children estimates that quality child care costs \$8,000 a year. As long as we have a system that relies on what parents can afford on their own, we will continue to put our children at risk.

Since passage of the block grant, more children are being served, and more investment is being made to improve quality. This is the message we hear from CCAC's national advisory panel, which is composed of 650 child care leaders from business, academia, labor, and the nonprofit community in all 50 States.

In addition to providing more families with direct assistance, the block grant through its quality set-aside has also enabled States to begin to improve the care that children are getting through training of providers, the establishment of resource and referral services and of regional information centers.

That is the good news. Now let me turn to some less heartening news. Despite these encouraging developments, millions still desperately need help. The child care crisis is by no means solved. Roughly 43 percent of children under 6 in the United States live in families eligible for child care assistance from the block grant, and yet only a small fraction of these 8.4 million children are being reached. In State after State, as you have heard, our advisory panels report long waiting lists of eligible families up to 3 years and longer.

The quality of care that many children eventually receive can also put them in potential jeopardy. The inspector general of the Department of Human Services recently found gross violations in the basic health and safety of licensed child care centers in Head Start programs in eight States inspected. Children were exposed to raw sewage, toxic chemicals, and insect infestation.

It does not have to be this way. Although the child care and development block grant has brought about measurable improvements, much more can be done, much more must be done.



Let me talk for a moment about the role of employers. American business leaders are very powerful, and the policies they urge upon governments or institute themselves can make a real difference for families and thus for children. The cold reality is that business is quick to react to problems that affect the balance sheet. But right now, too few companies and corporate leaders recognize the price they are paying for our national failure to care for and educate young children.

The Federal leadership created by the enactment of the block grant has led the way in helping change some corporate attitudes. Please make no mistake about that. Encouraged by your action, more employers have taken important steps toward helping children and families. Let me cite three.

The American Business Collaboration, a consortium of 137 major U.S. companies initiated by IBM, provides a national network of child care and elder care services for their employees. The consortium has raised \$25.4 million for 300 local programs in 25 States—a significant start, but as you all know, \$25 million is a drop in the bucket.

AT&T has established up to 12 months of unpaid leave for the care of newborn and newly adopted children with employer-paid health benefits for the entire period.

My own company, Time-Warner, has built an onsite backup center in midtown Manhattan to rescue parents, free of charge, when their regular child care arrangements break down, as they so often have in this cruel winter in the Northeast.

Large companies are not the only employers who understand that child care is essential for their economic well-being. CCAC's publication, "Not Too Small to Care," profiles 29 small businesses all over the United States that offer their workers a variety of child care benefits.

Still only a small percentage of the millions of families who need help in obtaining child care are reached through these admirable, but unfortunately limited, examples. Only rarely do employers help their workers actually pay for child care.

Solving the child care crisis—and that is what it is in this country—as it has been solved in so many other industrialized nations will take the combined efforts of parents, providers, Government, labor and business.

Whether or not to use child care and the type of care to use must always remain the parents' decision—but the responsibility for ensuring that safe and affordable choices are available has got to be shared by all of us.

The child care and development block grant is truly landmark legislation. But despite the gains it has enabled States to make, it does not provide nearly enough funding to meet the national needs of low-income children and families.

Last year, two small children died in a fire in an unlicensed family child care home in Queens, NY. The home had been started by an 80-year-old woman to help out families in the neighborhood while the parents worked. She was able to rescue six of the eight children in her care, but not Matthew Hinson, age 4, nor Terrence Fisher, age 7. Afterward, Matthew's father tried to explain with these words: "I had to use what I could afford."

Think about that. For the sake of Matthew Hinson, our course of action should be crystal clear.

Thank you. [Applause.]

[The prepared statement of Mr. Stolley appears at the end of the hearing record.]

Senator WELLSTONE. I want to get to questions, but I would just thank you. I have only been in the Senate for 3 years, but we have hearings, and people testify, and it is easy to hear it, and then you go on with your other work—and you try to do your best—but your testimony was very powerful, and I thank you very much.

I want to put some questions to the panelists. Following up on what Mr. Stolley said, I am really appreciative, although I do have some indignation about your testimony, not about what you said but about the questions you are raising about our country and where we are at right now.

I did want to just add some information. On the child care and developmental block grant, in the fiscal 1994 budget, it was \$892 million, and then in 1995, in the President's budget, just so people know, it is a little over \$1 billion, or \$172 million in additional new money. But as Mr. Stolley has pointed out, on the one hand—and we will hear testimony about this—we cannot use the excuse that we do not know what works. I think harping on the complexity of it all has become the ultimate simplification. It is a copout.

We do know what works. We do know what works when it comes to really good developmental child care. So the good news is that we can point to some concrete examples of how these moneys have made a huge difference, and then the bad news, if I understand what you are saying, is that it is just a drop in the bucket. And sometime this morning as we talk about this, and we try to figure out the gap between the investment that we make versus the need, I also think we do not even have a very accurate measurement of the cost of it all. I remember when I was a college teacher, and I would meet students, men and women, and they would say to me: "In all due respect, Paul, we appreciate the teaching you do at the college, but do you know what we would like to do? We would like to work with children. We would like to be child care workers because we think that that is the place where you can make the really critical difference in the lives of children."

And then, do you know what? They would go on with the conversation and they would say, "But we do not know how we could ever do this and support a family, much less ourselves, at \$5.50 an hour or \$6 an hour."

I take nothing away from the men and women who work in the zoos, but we pay them a lot more money to take care of animals than we pay men and women to be child care workers. [Applause.]

I will start with you, Tammy. Your story is so compelling. I wonder whether you would be willing to talk a little more about the emotional side of this, trying to work and not being able to really afford or have good child care. Could you talk a little bit about how this affected you as a mother and how it affected your family? Would you be willing to do that?

Ms. DALY. Sure. That is fine.

Senator WELLSTONE. You are thinking, "Darned right. I came a long way."

Ms. DALY. My daughters were enrolled in a day care center that I had interviewed. And I guess the reason why I quit my jobs was that I did not want to jeopardize their safety by looking for alternate means of care, like I did with their father. I did not feel even with their father that they were in good care, and I knew that I needed to do something to change that.

So that going to work, knowing that they are in a center where they are getting a structured program, quality care, good meals, allows a parent to go to work feeling confident and does not leave them with the guilts. I think it is really important that there is quality child care for everyone and that parents should have their choice of child care providers.

Senator WELLSTONE. And as Dick said, nobody is talking about—if a parent can stay home and wants to stay home, then of course that is very important. But sometimes, either for financial reasons, people have to work, or they want to work, so it is a choice. But for you, as you were on this merry-go-round, trying to figure out how to work and be independent and self-sufficient and all the things that we say as a country we want to enable men and women to be, how important was it to you when you were finally able to go back to work, to know that there was going to be decent child care for your children? I mean, was that the motivating factor that enabled you to go back to work?

Ms. DALY. Yes. I wanted very much to be independent. I love being at home with my children, but at the same time I do enjoy the work that I do, and I guess that is the choice that I have made.

Senator WELLSTONE. Did you say, though, that actually going work put you in a weaker financial position than on AFDC?

Ms. DALY. That is correct. When I worked at The Hair Company, it was a minimum wage paying job, and although you do get a work incentive on your monthly AFDC grant, I believe the first 2 or 3 months that you begin a new job, you get a larger amount, but then after that it drops down to something like \$50. I cannot give you the exact amount. But I found that it was much more of a financial struggle because your monthly grants changed every month according to your income. And starting out in the cosmetology business, starting over, you have no clientele, and therefore some weeks, I would work 30 hours, some weeks I would work 40, depending on how busy I was.

So there was a lot of variance in what my income was month to month.

Senator WELLSTONE. So your point, as I understand—and do not let me put any words into your mouth—your point is that as talk about welfare reform here, which is a very “hot button issue”—everybody is going to be for welfare reform—your point is that you cannot have real welfare reform, that is to say, you cannot expect a single parent, usually a woman, to be able to enter into the work force unless there is support for developmental child care. I mean, if there isn’t any public investment of resources, then she would be worse off financially than she would be right now to make that transition; is that correct?

Ms. DALY. Correct, yes. When you are on AFDC and at a minimum wage job, when that does not take you off the AFDC eligibility, you do not qualify for sliding fee scale, or you cannot access



even the transition funds. It is through social services, and it is \$350 a month, plus if you work nights or weekends, that is an added expense unless you can find alternate care. So it was much more difficult.

Senator WELLSTONE. So real welfare reform means a commitment to high-quality child care.

Ms. DALY. Right.

Senator WELLSTONE. And above and beyond real welfare reform, real family reform—since we are talking about many families, not just AFDC families, for whom this is a tremendous problem and a tremendous need—includes supporting families, working moderate and middle-income families. Is that right?

Ms. DALY. Correct.

Senator WELLSTONE. So the last point would be that we probably should not fantasize that we can do welfare reform “on the cheap”—right—I mean, it is going to take some investment of resources. [Applause.]

I could say one political unpopular thing here today, and I am only speaking for myself. I am not speaking for the committee. But it does strike me that I really believe that when a single parent—let us just talk about welfare reform for a moment—a welfare mother wants to be able to work, since there is so much less stigma with that, and that there should be the support to that, I think it is all too often going to include literacy training and skills training and developmental child care and a job that is there that you can support yourself on.

But you know, the one thing that strikes me as being a little bit ironic about this debate is that if in fact you are staying home, and that is your choice, and you are a single parent and a welfare mom, taking care of children is very important work. And no one seems to want to focus on that, and it strikes me that somewhere along the line, that point needs to be made.

We all know about the stereotypes, but I am sure people who are here today are more familiar with this than I am. But if you go to—and I will just use a big city as an example—if you go to some of your toughest housing projects, and you ask the question, how in God’s name are these children able to survive, to go to school and to come home, sometimes with gunfire all around them, do you know quite often who the heroines are? They are single-parent welfare mothers who, in the face of unbelievable odds, take their children to school and get them home and get them through each day so they have a chance. Nobody ever talks about that, and it should be stated. [Applause.]

Mr. Stolley, I want to ask you a couple of questions. First of all, could you give some examples of what you would consider to be some of the really innovative models that businesses have taken by way of providing child care to employees?

Mr. STOLLEY. As president of CCAS, I go around and talk to business groups, and it is a hard slog, I will tell you. Talking to businessmen and frankly, some businesswomen, too, about child care defines the term “not getting it.”

Senator WELLSTONE. Spell that out a little more.

Mr. STOLLEY. I do not think I have to spell it out to these folks behind me. [Applause.]

Senator WELLSTONE. Wait a minute. You do not have to spell it out for me, but for the public record.

Mr. STOLLEY. I will give you one example, and I will not use names, but a huge brokerage firm in New York City—where the obstacles to locating onsite child care are formidable, surely—but they were approached about taking some kind of child care initiative. And the answer given by the CEO of this huge company whose name would be instantly familiar was: "We had the best year we ever had last year without child care." That is an attitude that may not be expressed quite so crudely in other board rooms.

I do not want to make it sound—there are so many things that businesses can do, or so many things that people in this room who work with businesses, we certainly do. You do not have to build on-site child care. That is very expensive. Businessmen get terribly nervous about the liability. They are afraid this is going to turn into some albatross.

There are so many things they can do, and that some businesses do—job-sharing, something as simple as job-sharing, so that mothers or fathers can spend more time with their children. You can allow parents to use their sick days for their children's sick days. The number of times that employees call in sick in this country, when they are not sick but their children are sick, is astounding, and many employers do not recognize this.

You can allow parents to take half-days off to go to events involving their children. There are many, many initiatives short of spending a lot of money and taking on a lot of responsibility that can help families at the workplace.

What we have found is that if you start these things slowly, that the employers will eventually find that it is helping productivity, it is reducing absenteeism, and it is helping morale, and it can also be used as a recruiting tool.

That is the message. Businessmen want empirical evidence of what child care means to them, what work-family initiatives mean to them. This kind of empirical scientific evidence is very rare, and all I can say is that any researchers in this room, if you can help supply us with evidence that work-family initiatives and child care on the job can be measured in these terms that I have described—absenteeism, productivity, morale, recruiting—we will bless you, and we will use that in every board room in America.

Senator WELLSTONE. Listening to you, it just occurred to me that an interesting proposal would be, as long as we are talking about it here in the Congress, that in our offices, Senators and Representatives, where we have what is essentially many small businesses, we ought to institute these policies that you just mentioned, and then we can be part of that evidence. I mean, we ought to lead the way, right? [Applause.]

You all are going to get me in a lot of trouble for chairing this hearing today—but I think there would be real strong interest in it.

Dick, is there some empirical data that points to the linkage between child care and productivity of employees? Are you saying we do not have enough of that right now?

Mr. STOLLEY. There is very little. One interesting study was done recently by the University of Chicago Sociology Department with

Felcro, which is a company in Skokie, IL that makes automobile parts. Its founder, Elliott Lehman, is on our board, and that company has been one of the leaders in work-family initiatives. It is a complicated study, but what the University of Chicago Sociology Department found was that they could track productivity gains to the presence of work-family programs. Those workers who took advantage of child care and other work-family programs were more productive than those who did not.

Now, as far as I know, it was the first study, and believe me, we have used that a lot. I think if we can get more evidence of that kind, we will be a lot more successful.

Senator WELLSTONE. I can tell you, in my office, we have job-sharing, and I can tell you, we have two women in Minnesota who are just fantastic, neither of whom would really be able to do this because they both have small children. And it has just worked out beautifully, exactly along the lines of what you say.

Is there anything that you can see at the public policy level here that we could do that would provide incentives and encourage businesses to be able to provide more of the support for child care?

Mr. STOLLEY. Yes—you could double the block grant. [Applause.] This is the kind of empirical evidence that they are looking for. If you increase the block grant, it will do a lot of things. One, the public-private partnerships that the States must encourage will increase. You will find that the one area that business is most reluctant to get into, which is direct financial assistance, you will not need that so much because these families will have the money. Banks and businesses are more likely to help invest in child care initiatives if there is an assured cash flow, an income stream. And there would be if more families were spending money on child care.

It is clear as day that putting more money out there will generate more money. This is classic financial leveraging, and there is no question that it works.

Senator WELLSTONE. Well, I would thank both of you, and a final comment in response, first, to what you have said, Dick. It seems to me that there is a disconnect here, and I guess it is going to be a challenge for all of us. And the disconnect is that the focus has become on deficit reduction not as a public policy goal, but as the public policy goal. And I think there is going to have to be a hue and cry from around the country, with a lot of accountability sessions with representatives and Senators if we do not want this hearing just to be symbolic and we truly want to double this appropriation, where we say, "Listen, if you are going to talk about deficit reduction, but understand that in certain areas, if we really care about the future of this country, we need to invest more, not cut, starting with children."

We are just going to have to make people live up to their own rhetoric. But I am saying I think it is going to be a real challenge, because the caps are pretty low, and everybody in here understands the mood piece in the country. And somewhat, what President Clinton talked about in his campaign—he said there was a budget deficit and an investment deficit, and that investment deficit, if you have noticed, has been sort of put over here, put in parentheses, as opposed to being a huge priority right now. And I



think we are going to have to really work very hard to get to where we want to be.

I think both of you have really helped us immensely, and I thank you for your testimony. And Tammy, thank you very much for being willing to come. It is not so easy to talk about your own personal situation and make that part of a formal record of Congress. It takes courage to do that, and I really thank you, and I hope your words will serve a purpose, and that we will be able to build on what both of you have said.

Thank you very much. I appreciate your being here. [Applause.]

Senator WELLSTONE. In addition to the panelists, if there is additional written testimony that any of you want to submit, please bring it up right now. I would appreciate it.

Let me now call up Helen Blank, Bruce Liggett, Jerlean Daniel, and Patty Siegel.

Our second panel will look at child care from several perspectives and focus particularly on how we can build a strong child care system, and—and I think this is very important—what we mean by “quality.” The Committee on Labor and Human Resources Committee has been especially focused on the whole question of quality child care, so I think this panel is extremely important.

Our first witness on this panel is Helen Blank, who is director of child care at the Children’s Defense Fund. It is hard to believe that it was 4 years ago that Helen almost literally—and I was not here, but I have heard about it—wrapped the Capitol in paper chains made by children from day care centers across the country, to symbolize the need to free families from worries about inadequate child care and free the ABC bill for passage. Today she will talk about what the child care and developmental block grant has accomplished, as well as the tremendous need that remains.

Helen, I welcome you here, and I admire your work. Thank you for being here.

**STATEMENTS OF HELEN BLANK, DIRECTOR OF CHILD CARE AND DEVELOPMENT, CHILDREN’S DEFENSE FUND, WASHINGTON, DC; BRUCE LIGGETT, CHILD CARE PROGRAM ADMINISTRATOR, ARIZONA DEPARTMENT OF ECONOMIC SECURITY, PHOENIX, AZ; JERLEAN DANIEL, ASSISTANT PROFESSOR, PROGRAM IN CHILD DEVELOPMENT AND CHILD CARE, UNIVERSITY OF PITTSBURGH, PITTSBURGH, PA, AND PRESIDENT-ELECT NATIONAL ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN; AND PATTY SIEGEL, VICE PRESIDENT FOR PUBLIC POLICY, NATIONAL ASSOCIATION OF CHILD CARE RESOURCES AND REFERRAL AGENCIES, SAN FRANCISCO, CA**

Ms. BLANK. Thank you. It is a real special pleasure to be at this hearing today. The Capitol would have never been wrapped in chains unless my colleagues in this audience spent months and months and months making paper chains in every community in this country, and also 4 years being extraordinarily persistent and not settling for anything less than a Federal child care bill.

Senator WELLSTONE. Maybe we are going to have to do this again.

Ms. BLANK. Well, we need you, too, because we would never have had Federal child care legislation without the extraordinary commitment of the members of this committee and the leadership in the U.S. Senate.

People were absolutely mind-boggling, especially Senate Dodd and Senator Kennedy, in the effort and the commitment they made to make sure that we saw a child care bill. They even spent the night lobbying members of the House when the vote was going to the House floor. So we owe a great thanks to the Labor and Human Resources Committee, and I am very glad to be here today because it was very, very important legislation.

We tend to always whine, and we do not take the time to celebrate our accomplishments. And I think it is very important that everybody understand what their hard work meant. Of course, there is a lot left to be done, and that has to be part of my message, too, but I would like to first talk about what we all, working together, accomplished as a team.

I wish everyone could travel as I do from State to State and see up close what block grant dollars have meant. In many States, we have seen dollars for low-income children double, triple, quadruple. States have been able to reach families that never got child care assistance.

Minnesota was a State that understood before the block grant that low-income families not on AFDC needed some help. But States like South Dakota, North Dakota, Wyoming, Idaho and Montana only provided child care assistance if you were on AFDC, and now there are hundreds of thousands of families who can get child care help in those States. Colorado only helped one-parent families with child care costs, and now you do not have to be a single-parent family; you can be a two-parent family or be in school or training and get child care assistance.

Another very important issue was addressed by the block grant—not enough, but we made progress—on what States paid providers. Sometimes this sounds sort of selfish—why do you have to pay providers a lot? Isn't this a nice job, helping children? The problem dramatically limits the choices available to low-income families, because if States and the Federal Government do not pay providers as much as other parents who do not get subsidies pay, providers cannot make the sacrifice and serve poor children.

Before the block grant, it was very common for providers to turn away children because State subsidies came nowhere near covering the cost of care. The State of Washington really stood out. A 1986 survey found that many providers refused to accept subsidized children. Even those that did would only accept a small number.

In 1990, 36 States told the Children's Defense Fund that their reimbursement rates and policies made providers unwilling to serve low-income children. Since the passage of the block grant, 40 States have raised the rates that they pay providers.

Washington State stands out. They now pay all providers who serve publicly-funded children a rate that is the maximum allowable under the Family Support Act. Investments in strengthening quality in other areas have also paid off. We all recognize that training is one of the most important factors that determines how a caregiver relates to young children.

In 1989, before the block grant, nearly half the States made either no investment at all in training for child care providers, or only provided minimal funds. Now we have almost every State investing some funds in training child care providers, and we are seeing very creative approaches being used to reach children who are hard to reach. Georgia uses a van to go to rural areas at night and during the weekends to train children in rural child care centers. Idaho, another rural State, uses public health nurses to reach hard to reach providers.

Licensing staff is very important. As the IG report showed, we have a real crisis in not enough monitors to inspect day care centers. But at least 40 States did use block grant funds to improve their licensing and monitoring efforts. Tennessee, another rural State, has to depend on family day care, and they have been able to add licensers who do not just inspect homes, but are working with these isolated providers who visit them and give them help and give them a boost.

Some States have invested child care money from the block grant to provide comprehensive services to children. We wish that every poor child, whether in the Head Start line or in the child care line, could get the comprehensive enriched services that are attached to Head Start, because most of the need it. And child care unfortunately does not give States enough to do that.

But States like Minnesota, in Minneapolis, have used block grant funds for a program called "Strong Beginnings," which provides enriched services to children in low-income areas who are enrolled in day care centers that are not Head Start, and they provide them a program that is almost identical to Head Start. They are making efforts to do special training so they can hire minority teachers who can work well with children; they have more teachers, and they offer them enriched services. Other States have done the same thing.

We have been able to offer more school-age care to more poor children. I had a wonderful experience with my colleague Bruce in South Tucson, where he spoke in Spanish to a group of parents who are very, very poor—South Tucson is a piece of Tucson that has almost no community services—and working with them, they were able to use block grant funds to establish the first after-school program in one of their schools.

It is always easy to talk about how far we have to go, but I really do think we have to understand that the \$1 billion provided through the block grant and the at-risk child care program has made a difference both to families who struggle to go to work on those salaries and to children, by helping to enhance the kinds of services they get.

Of course, I cannot tell you that we have solved the problem, as my colleague Dick Stolley has laid out. We are not going to make sure that all children enter school by the year 2000 and help low-income parents work and be self-sufficient unless we move much further. There are very disturbing signals about the need to invest more in child care and the possibility of all our efforts on the block grant coming undone.

Most States do have long lines for child care assistance—31 States and the District of Columbia, to be exact—and there are



tons of families—30,000 in Illinois, 5,000 in Missouri, and in Wisconsin the last time I heard, it was 13,000. The scarcity of child care dollars has forced a terrible Solomon-like competition that is now pitting, as Tamera talked about, working families who are not on welfare against welfare families.

We are seeing 16 State using the child care and development block grant, which was intended to compliment the Family Support Act, pay for welfare mothers because the block grant has no match, and they have to match AFDC child care dollars, and they do not have the resources.

Twelve States that use State dollars that previously went to low-income working families are now using those States dollars to match AFDC child care, taking away child care from working poor families.

Of course, we see the most painful situation as mothers move off transitional child care assistance and then find they have no child care. And States ask us: Whom should we bump?

In Minnesota, a 1992 study of 48 families did find that one in five returned to AFDC. Just yesterday, someone called from Illinois. They could not talk because they were going to a child care center that had 18 families leaving transitional child care, and nowhere to go.

Even families that can get child care are not getting what children need. We know that children on AFDC and low-income families need a high-quality preschool experience. But State resource limitations and Federal policy directives tend to lock AFDC children into the lowest possible child care.

We just did a recent study of State policies for child care providers that are informal—smaller family day care providers who receive public funds including the block grant—and we found some alarming news. For children enrolled in informal unregulated settings—and more and more of them are in these settings because if we do not pay enough to parents, we encourage them to choose these settings—found that they do not require family child care providers to meet even minimal standards such as training or immunizations.

We are deeply troubled that these problems are going to be exacerbated if welfare reform is not accompanied by major new investments in child care. What is going to happen if we add anywhere from 500,000 to 2.5 million children to the child care rolls without adequate dollars is that we will see less and less money, if any, available to low-income working families, who themselves are a step away from welfare, and we will see all the progress we made on quality slip away as States struggle to just provide child care assistance to mothers who are moving off welfare. And we will lose all the gains we have made.

Can we do better? Of course, we know we can. My colleagues will talk about some of the solutions. This year, we can make some important headway. We can appropriate the \$200 million that have been requested for the block grant. We can appropriate the full \$700 million requested for Head Start. We can pass a strong Head Start reauthorization bill, and we can be vigilant to ensure that welfare reform does not happen for children on the cheap. We talk about adults a lot in the welfare reform debate, but we do not focus

enough on children, who have the real potential for being warehoused.

I think we have to remember in all of this how urgent the need is to act fast. Children grow up in a flash. As I was working on the child care bill, my Molly, who is now 17 and then was about 10 or 11, said, "Mom, I do not know why you are killing yourself for this child care bill, because you know, I am too old for an ABC child care center." Amy, who did a lot of wonderful organizing on this bill, is not 30 yet, so she can have her child in an ABC center. But not us. Molly missed out. It seems like your children almost missed out.

We cannot let any more children miss out. Those waiting lists are too long. By the time your name comes up, you do not need child care anymore, and you do not get what you need in those key developmental years.

Thank you. [Applause.]

[The prepared statement of Ms. Blank appears at the end of the hearing record.]

Senator WELLSTONE. We will move right along and then have questions. I do want to say, Helen, that I think the way you started your testimony, with the priority of first focusing on the success, is important, because people have to appreciate. I certainly know that Senators Dodd and Kennedy will very much appreciate your remarks, but also what has been done in the States. People have to celebrate their success, and that of course gives people that additional motivation for the work we have to do in order to make this work.

The second thing that you mentioned, and I was really pleased, is rural. You talked about that a couple times. Sometimes I feel that when we talk about lack of income, or we talk about the problem of jobs, or we talk about health care or child care, we always think urban. And those are very compelling issues in rural America, so I was really glad you did that. And finally, you mentioned the word "warehouse." And I want you to know that this committee is especially concerned that we talk about quality child care, and that we do not let this become warehousing. And it would be a tragedy if there were not the investment of resource with welfare reform to the point where we ended up literally playing populations off each other between the working poor and welfare families. That is the last thing in the world we want to see happen.

So thank you very much.

I am pleased to welcome our second witness on this panel, Bruce Liggett, who will discuss the State perspective on child care. Mr. Liggett is the child care administrator at the Arizona Department of Economic Security in Phoenix, AZ. Mr. Liggett has worked on policy development and program implementation in a variety of areas, including developmental disabilities, long-term care, welfare reform, and child care. He will discuss the difficult trade-offs often made in implementing child care policy, and Bruce, as people in Minnesota would say, out in the streets, out in the community, where it really has to work. We really thank you for being here today.

Mr. LIGGETT. Thank you, Senator.

I appreciate the opportunity to appear on behalf of the Arizona Department of Economic Security, and I would like to share some of the tremendous positive impacts in Arizona as a result of increased Federal funding, as well as some opportunities for improvement from my perspective as a State child care administrator.

Our department in Arizona contains many of the large human service programs, and we are uniquely organized to be able to do a lot of collaboration and coordination with the welfare and with the labor programs.

In 1991, we knew what was coming, and we established the child care administration to provide child care assistance to low-income families to help them maintain or increase self-sufficiency, but also to promote the development of quality and accessible child care for all families in Arizona.

As a child care administrator, I am responsible for the block grant, at-risk family support and the State child care subsidy programs.

I think to understand the impact of increased Federal funding, it is important to explain the phased expansion of services in our State. Prior to the block grant enacted by Congress, our major emphasis was on services to low-income families. We operated a State child care subsidy program since the mid-1970's. But our upper income limit was extremely low—147 percent of poverty. Our benefits were and are extremely low—approximately \$80 or \$90 a month per child for a working poor family.

Many of our families have to pay up to 35 percent of their gross monthly income in the State program on copayments to providers.

In 1990, in response to the Family Support Act requirements, we designed a much more responsive system for families, based on market-based rates, where families now make nominal or no copayments, and have set the stage for further expansion. In 1991, we implemented the at-risk program for the working poor, and then further expanded for the working poor and also those in education and training under the block grant.

Frankly, we are proud of our efforts to bring up three major Federal programs in a very short period of time. With Federal funds, over a 5-year period from 1988 to 1993, we have increased by 175 percent the number of children served and by 250 percent the amount of funds spent for child care services.

Yet due to the limited resources, we operate a State program separate from our Federal child care programs—a two-tiered system, if you will—with the State program paying roughly half of the benefits of the Federal programs, or families similarly situated but covered in Federal programs. And due to the cap in the at-risk and block grant programs, we had to establish a waiting list. After only 6 months, in a relatively medium-size State like Arizona, 4,500 children were waiting for access to Federal child care subsidies.

As a child care administrator, my biggest challenge is trying to project the need and utilization of child care services, manage five major multiple funding streams, and administer the waiting lists and explain to parents why they are going to be unable to get services for some unknown period of time.

But Federal funding under the block grant has shifted some of our emphasis and focused on issues of availability and quality. We



have expanded and established new early childhood and school-age programs that now serve children, new spaces for children that were not there, including targeted programs for homeless families, programs in domestic violence shelters, teen parent programs on high school campuses, and a few pilot projects to extend the Head Start day to full-day, full-year. These programs are models of resourcefulness and local collaboration.

We have established statewide resource and referral. This program will annually assist 19,000 families with referrals for 30,000 children and will provide another 10,000 general information calls to the public. This service is free to the general public, families of any income level, and resource and referral is a critical foundation for us in terms of provider development and quality improvements.

We also have numerous projects all over the State, urban and rural, to improve the quality of care for thousands of children through provider training, developing curricula, and programs that can develop to national accreditation. We have also used the block grant to increase interagency collaboration and coordination. We have established an advisory committee. We have very important focal points for collaboration within the State health department and education department, and have a collaboration project with the State Head Start programs.

There is still a tremendous need for further improvements. More low-income families need much greater levels of assistance. I explained the two-tiered system in Arizona, one providing inequitable benefits. To merely bring up the residual State program to a level that we are funding under the block grant would take \$15 million in Arizona, an amount almost equal to the full block grant allotment this year. That would not address the low-income eligibility that we have under the block grant. To get services under the child care block grant in Arizona, families have to have incomes below 91 percent of the Federal poverty level.

We also need to maintain and further expand some of the programs we have begun. When we started some of these new programs, homeless, domestic violence, we wanted the goal to be for them to become self-sustaining through either ongoing public subsidies or private sources of funds. They have been unable to do that largely because of the inadequate rates that we are paying. And so as we tie up our money, we are unable to expand more and more programs around the State.

We also need to expand some of our quality initiatives. We are very pleased with our resource and referral programs in the State, but our commitment to resource and referral requires virtually all the money we have for set-aside funds in the block grant, precluding other quality initiatives and greatly limiting what we can do with provider training.

We need additional resources for health and safety. As a result of the block grant, we began a real rigorous review of regulations in the State, and now we have proposals before our State legislature that over time will greatly expand the health and safety standards for children in both family child care and center-based care. But we do not have the resources to implement these changes if they are approved locally. So the resources to implement health and safety improvements are absolutely critical for us.

Finally, I would suggest that we need increased State flexibility, and we need to simplify the administration of these programs. While the block grant does allow significant flexibility, States such as ours that are attempting to integrate block grant programs with IV-A programs under the Family Support Act and at-risk are facing severe restrictions in being able to use IV-A funds for supply-building and quality assurance.

We are also having to contend with very narrow eligibility criteria that are creating an unreasonable amount of bureaucracy to support, and a complicated nightmare for parents and providers.

We need flexibility under the IV-A programs in terms of allowable costs and payment methods so that we can more effectively and responsibly administer these programs.

In Arizona, we are just beginning to make lasting changes in the child care system. We are learning what it takes ourselves to develop and maintain quality child care providers, and the block grant has helped us to fill some of these gaps in both subsidy and service delivery systems. We are making a difference in Arizona in quality and affordability and availability.

But as you said earlier, Senator, as welfare reform develops further, and expands, we are going to need increased funding and flexibility to meet the needs of our State.

While what I have talked about may be unique to Arizona, I think all States and all State child care administrators are challenged by the pressing need for system development, and given the current resource limitations, we face those daily trade-offs involving the number of families needing child care, the cost of comprehensive quality services, and developing responsive projects, programs, and systems to meet the needs.

Thank you. [Applause.]

[The prepared statement of Mr. Liggett appears at the end of the hearing record.]

Senator WELLSTONE. Thank you very much. We really appreciate your perspective on what you have been able to do in Arizona, and it in some ways nicely builds on Helen's testimony, which is that the success stories are inspiring and whet our appetite for what we know we can do, and we need that, and then you also point out, though, that there are huge gaps. So I think that is right where we are right now, and your testimony is extremely important.

Our next witness is Dr. Jerlean Daniel. Dr. Daniel is an assistant professor for the program in child development and child care at the University of Pittsburgh. Prior to assuming this position in 1993, she had served as the director of the university's child development program for 8 years. She is currently president-elect of the National Association for the Education of Young Children, the Nation's largest organization of early childhood professionals and others dedicated to improving the quality of services to young children.

Speaking from the perspective of a provider, she will help us to visualize what a quality experience for young children means.

Dr. Daniel, thank you very much for being here.

Ms. DANIEL. Thank you. I am glad to be here.

I would also, however, like to start by saying to you that if the folks in Minnesota cease to appreciate you, you can always move to Pennsylvania. [Applause.]

I would like to share with you today what quality child care looks like on any given day in a quality child care environment. I would like to start by saying to you that quality child care environments do not look anything like the traditional school settings that most of us are familiar with. Children are in motion, for Pete's sake. They are clustered around blocks. They are cuddled in story corners over books, and they are conversing about those books. They are drawing pictures and telling stories to tape recorders, and trying to write in what most of us would call "scribbling," but in their own way, writing their names and writing the stories of their lives.

It looks to the unschooled eye like play, and often as adult, we would then dismiss it, for certainly learning cannot be fun. And yet, when I ask my college students who are majoring in child development to tell me about their favorite teachers—tell me what grade, what subject, and what made that person your favorite teacher—even those people who came through restrictive kinds of traditional school environments can always think of one or two teachers. And what they tell me about those favorite teachers is that, "Well, she was strict, but she really cared. She always knew when I was having a bad day." Or, "She made things fund. She made it interesting. Math was not boring because we went outside, and we calculated distances in real situations." Or they will say things like, "That teacher was special because she taught me how to care about other people and that other people were very important."

Those are the kinds of things that translate also into quality child care environments.

I would like to suggest to you that those children who look like they are playing are in fact young scientists, working very hard to close the gap between the concrete world of things and the abstract world of ideas. They are working very hard at it.

I would like to also suggest to you that we begin to treat our youngest scientists the way we treat our older natural scientists. There is no natural scientist who moves into any university position that he does not receive the kind of support that sets up a lab in which he can do his work—an excellent lab in which he can do his work. And I would like to suggest that as a Nation, we have a responsibility to our youngest scientists to give them quality labs in which to do their work. We have not to date done so sufficiently.

How do young children learn? And perhaps the proverb that says "Bought wit is better than told" explains it best. But we do not want children to buy their wit and knowledge in unsafe environments. They must be able to take risks as young scientists in protected, safe environments. They feel safe when they are socially connected to the teachers, when they know that those teachers care about them, protect them, treat them with respect; when the teachers take the time to understand a child's social background, understand a child's cultural background, take the time to get to know parents as well as children.

Let me suggest to you that this "bought wit" covers something as simple as learning what an orange is. It is very simple, and yet it is very complex. We could, of course, tell the child what an orange is. We could go to great lengths to explain the qualities of an



orange. We could perhaps use flash cards to try to teach a young child what an orange is. But I ask you, after 50 flashes, would a child really know what an orange is?

But imagine instead that we hand that child an orange. And I am from California, and those of you from Florida know that the best oranges are in California—the textured ones that are kind of rough to the touch. Imagine handing that child that orange, so they can feel the texture and see the bright color. And then imagine that the child punctures that skin, and on the inside of that skin is a very smooth, almost silky texture. And when the skin is punctured, those fragrant juices bubble up and tickle his nose and make him wriggle it around. And then, lo and behold, when he punctures the actual meat of the orange, that has a really funny kind of almost jelly feel, and yet it is not. And imagine the child's ownership of the knowledge of what an orange is when the juice runs all down his chin and stains his shirt and runs down his elbows. That is a child who really understands what an orange is. He has gained information that will help him distinguish an orange from any other fruit. His intellectual knowledge is catapulted in this instance.

Well, something as simple as that orange applies to all the learning situations that children have, and they need the kind of environment that allows them an opportunity to explore and to take those risks and to be the scientists that they are.

At the heart of a quality early childhood environment is a teacher who understands how children develop and how they learn. There is no substitute for that. A teacher without an understanding of child development cannot seize upon those teachable moments, cannot understand where a child is developmentally, and then offer the kind of experiences that capitalize on the child's curiosity and help him soar intellectually.

Trained teachers who understand child development understand that care and education in such settings are one and the same. You will find in a quality child care environment small group sizes. The younger the children, the smaller the group. You will also find a sufficient number of teachers so that they can respond quickly to our young scientists, so that our young scientists are not left frustrated and not able to figure out the answers; teachers are able to give them cues and hints as to the next step they might take; teachers who can answer their questions and give them a chance to think about those answers, and then come back with even more questions.

Children respond eagerly when they feel safe and protected, and when the opportunities to investigate and to learn match their developmental needs.

The National Association for the Education of Young Children has operationalized the definition of quality through our accreditation system. We have also been able to gain a lot of information about the cost of quality in a child care environment. The link between economics and quality is very clear. I spent 18 years directing child care centers, and I kind of feel like that was my real life, and now I have gone through my midlife crisis, and I am now trying to tell other people how to do it as a college professor.

Those experiences are still very real and very keen in my mind. And what I know is that even those programs recognized as high-quality environments for children are tenuously perched as those administrators struggle to keep their programs afloat; struggle to keep a semblance of quality in terms of teaching staff and in terms of the physical facilities. Administrators are struggling to keep their prices affordable. And yet what we know is that parents cannot afford what is real quality in early childhood programs. We have heard figures of a gap between approximately \$3,300 and \$8,000. There are not many families who can afford to do that on their own.

Early childhood programs that are quality also are very welcoming places to parents. Parents can visit unannounced. They are included in the planning of events for their children, and they are seen as integral in the learning process.

Head Start is an example of an early childhood program that has maximized parent involvement. It is also an example of a program that in this country, we value. But even with Head Start, we are just beginning to recognize that if you want quality, you have to put your money where your rhetoric is.

I would like to suggest that it is finally time—and long past due time—that we begin to invest in quality, give our young scientists the laboratories they need to learn and to thrive and to do so regardless of the income level of the families involved or the auspices of the programs.

Thank you. [Applause.]

[The prepared statement of Ms. Daniel appears at the end of the hearing record.]

Senator WELLSTONE. Dr. Daniel, thank you very much. I keep thinking as I hear the testimony that I wish there were a way that every, single person in the Senate and the House could hear your words. I really do. [Applause.]

The last witness of the morning is Patty Siegel, who needs no introduction to most of the people in this room. For those who do not know, Ms. Siegel, who comes from San Francisco, is vice president for public policy for the National Association of Child Care Resource and Referral Agencies, NACCRRA.

NACCRRA was the moving force behind this hearing, and I want to reiterate Senator Dodd's distress that he is unable to be here and again his appreciation for all of your wonderful work.

Since 1970, Patty Siegel has been actively involved in the development of child care services as a teacher in child care centers, as a parent organizer, and as the founding director of the Children's Council Child Care Switchboard.

We thank you for your long record of advocacy for children and families, and we welcome your testimony today. Thank you very much for being here.

Ms. SIEGEL. Thank you, Senator Wellstone. I want to say on behalf of the National Association of Child Care Resource and Referral Agencies, there are more than 500 of us in Washington this week for our annual conference, and we are delighted to have a parent like you who understands in your heart the daily challenge of finding quality child care with us today. And we hope that you will take the messages that all of my colleagues are sharing to ev-

everyone who is not here. I have the sense that what we ought to be doing now is papering the Capitol this year with testimony and with waiting lists. So we might work on that at our conference over the weekend.

But we know that you understand, and what I would like to do is not only thank you, but really thank Senator Dodd and the other members of this committee who have been our champions.

I would like to ask the members of NACCRRRA to stand and join me in thanking you for all you have done. [Applause.] Maybe Senator Dodd can watch it on C-SPAN when he gets back.

Senator WELLSTONE. Well, thank you, Patty. And as long as people are doing that, let me just mention the work of Sarah Flanagan and Patty Cole, who did so much for this hearing, and Sherri Edelson and Cindy Phillips from our office. I think you all should stand up. Thank you very much for your work. [Applause.]

Ms. SIEGEL. We do not have this kind of turnout often. I hope that you and your colleagues appreciate that this is a very special day. And in fact it is a day that is made possible by the investment that you all have made in the child care and development block grant, because when I first testified before this very committee long ago, February 6, 1979—and I actually brought along a copy of the very yellow testimony that I gave as a very much younger parent because I thought it might be interesting to compare and contrast to see what is the same and what is different.

I am here to really talk to you at the micro level, at the front lines, for all the counselors and directors and advocates in the room who talk to parents on a daily basis and help them connect to the services that my colleagues today have talked about.

When I came before this committee, when my own Senator Cranston was the chairman in 1979, there were 34 resource and referral agencies in California because happily, our State had been in the vanguard of seeing the necessary for providing funds. But across the country, there were only a handful, and I could ask that handful of folks to stand up if you would like, just to make it visual. There were about 60 of us nationwide in 1979, struggling to provide a service that people had to sort of scratch their heads and say: "Resource and referral? What is that? What do you really do?"

We are an indirect service. We are really the floor of a quality child care system, because Tammy and the other parents who have been mentioned today need help in finding child care. You had problems in North Carolina as a young parent, and I am proud to say that there are wonderful resource and referral programs that I have had the opportunity to work with in North Carolina. If you were there today, I think you would have had access to far better quality not only in terms of information about what was out there, but also in terms of the training and support that they are providing to family day care providers. Jerry talked a lot about child care centers, but a large part of the child care community that all of us serve includes not only center-based providers, but family day care providers.

So today, in 1994, the 60 of us who were struggling to define a service that would help parents like ourselves—because like you, I have three young children in their 20's; I am not a grandparent yet—but we needed child care ourselves, and we knew that if it



was hard for us as well-educated, privileged parents to find it, it was even harder for the parents who did not have the resources we had available to us.

Well, what do we have today? Today we have over 500 child care resource and referral agencies, and Mary has a chart that actually shows the growth, and you have that chart in your testimony. Now we have 500 R and R agencies. It sounds like a lot, but it is still not enough. But we have statewide networks like the one that I currently direct in California, the California Child Care Resource and Referral Network. There are 65 of us, and many of them are here today. But now we have those networks in 34 States, and we have the ability to reach and speak to over 750,000 parents a year. And that is just a beginning.

It is parents like Tammy; it is not the parents like those described in Mr. Stolley's testimony, who probably did not know how to find us.

What I want to do now is talk to you about what it is that we do and why such a basic connection is so important and integral to a quality child care system.

It is more important than ever, especially given some of the new twists that came about in the child care and development block grant. Each one of us here knows that the block grant put tremendous emphasis on parental choice—something that we have all stood for, but something that we understand will never be a reality for parents unless the supply of affordable quality services is there. So we have this parental choice mandate, and we also have in the block grant a strong mandate that a large portion of the funds be administered through a voucher or certificate program.

It is critical that for those two components to work, parents cannot be left to supermarket bulletin boards or word-of-mouth through a friend. They need access to information about all available child care resources, and they need to understand what is available, when it is available, and get some hints on how to choose.

As I listened to Jerry, I was really wishing we had someone like Jerry on the phone doing counseling with parents. We have lots of folks like her, but this helps the parent to understand that a child care program can offer that child that opportunity. Parents do not always know what help is available, and in many parts of our child care system, parents are really sort of forced into saying: Don't you know someone who can watch your child? And I think Tammy spoke on that more eloquently than any of us could.

So with the block grant mandate, our services are more critical than ever.

Very briefly, the kinds of services that we provide in child care resource and referral. First of all, we document the supply and the cost of child care in our communities. We cannot help parents find it if we do not know and document exactly what is out there. You mentioned earlier your concern about do we really know the cost of care. The good news is that both through the block grant and some of the mandates for market rate surveys on the IV-A side, we do note the cost of care, and I would like to acknowledge that we have made some progress in that area.



Of course, our most important function is actually assisting parents in their search for care. And with us today are the very parent counselors who do that. This is not a name, address and phone number, thank you, ma'am. This is intense counseling that really helps to identify, that actively listens to what parents need and helps them to understand all available resources and to anticipate their child care needs, not just at the moment when they start job training, but to help them think that child care is something that will be with them for a very long time in their lives, and they need to choose and find the care that is really going to help them not only today, but tomorrow.

We cannot do that work with parents without working simultaneously and in partnership with the child care providers, home and center-based, and increasingly, the exempt providers who are actually coming into parents' homes in our community. They need information, many of them need and want training, and there is not enough supply.

We can document very precisely where the gaps are in our communities, and then help to build up the supply so that we are not just building an oversupply in an area where there is barely adequate care, but we are really looking at what are the biggest unmet needs.

One of the things that everyone here would share with you is that it is infants and toddlers; it is the very youngest children who are in the biggest demand. In my own State of California, close to 60 percent of all the parents who call us in child care resource and referral are looking for care for children under 2. And when you look at the supply of care, and when you know that only 11 percent of the licensed child care centers in California even accept infants and toddler, you know that we have a problem.

And of course, along with training, we have to work with elected officials, with the corporate sector to help tell the story of child care in our community and to bring everyone to the table to create the public-private partnerships that will help improve child care.

To make this real, I talked to counselors from around the country in the last week to get a sense of what were some of the cases that they had heard, what were some of the problems that had been most pressing for them, on the phones. And most of our work is done on the phone, although many of our agencies are also available for drop-in.

I want to just quickly walk you through. These are in your testimony, so I am not going to give the whole long story. But what I think you will see is what I call unraveling lives, lives on the line, and I think it helps us understand that child care is really the issue that is just the cutting edge for many families before their lives disintegrate into poverty. And again, we had the most eloquent parent as our lead-off speaker, so I think you understand that story, but just to build on that.

I spoke to the resource and referral folks in Topeka, KS, and they had a story. Last week, a family whom they had helped, a young family, was about to accept a newborn foster child, but the child was coming unexpectedly, because foster care works that way, and there was no way they could possibly accept this newborn because they both worked full-time, like many parents. They could

not accept this child unless they could find infant care that very day.

With the help of the counselors in the ERC center in Topeka, KS, they found that care, and they were able to accept that child. And that, of course, makes our whole child welfare system work as well.

The second parent is Minnie. Minnie is a parent who came to my attention from "Bananas," one of the oldest child care resource and referral agencies in my own State. And you might wonder how it got the name "Bananas." Well, because when you cannot find child care, that is what happens; you go bananas.

Minnie, like many of the families who telephone us, is a grandmother. The calls that we receive in R and R are not just your typical parent. We often hear from the parents who have the most difficulty. Minnie was a health care worker who had just assumed custody of her 16-month-old, drug-exposed, very difficult grandson. She was at risk of losing her own job because the child was difficult, and it was hard to find care.

She called Bananas, desperate, and what she was afraid she was going to have to do was place her grandchild in foster care, because if she could not find the quality child care that she needed in order to allow her to continue working and to care for her child, she was on the brink.

Thanks to child care and development block grant, thanks to the set-aside in the block grant for children with special needs—10 percent was designated for that area—Bananas was able to help her find care and also to get her involved in a grandparent support group.

Marguerite was a parent who called Carino, the resource and referral program in Albuquerque, NM. Marguerite is from Rio Rancho, a small suburban area outside Albuquerque, and she had a real concern about her 8-year-old son. She did not really call to talk to Virginia about exactly what she needed, but she called to say, "My 8-year-old is in trouble. He is getting in more and more trouble every day. Do you think there is anything he can do after school?"

So we are very pleased that funds for after-school care were targeted in the block grant, and again, with Virginia's counseling and help, Marguerite was able to find a good after-school program that very day for her child.

Going to the Child Care Partnership Group in Pittsburgh, PA, Derek, a single father, called. He works night shift, and he has three children. He was recently left very abruptly by his wife, with custody for his three children. He had stayed home from work for a week, was afraid he would lose his job. He needed care, and his challenge was even greater because his children were all ages—a toddler, a preschooler, and a school-age child—and he did not work the normal 9 to 5; he worked late night shift.

So they were able to help him find a family day care provider who could assist him. He was, of course, eligible for subsidy in the block grant, and I might say fortunate if those funds were available that day in Pittsburgh because Dick Stolley asked you to double it—I will say please, triple it, because for every family that I am talking about that we could help, there are lines behind them who

are on waiting lists. But Derek was able to get back to work and not go onto AFDC.

The breakdown of informal care is something that was also documented by Carino in Albuquerque, but I think I will use a more recent example from my own Los Angeles. Ron Garner who is here in the back row, from the Child Care Resource Center in the San Fernando Valley, talked to many, many parents after our earthquake. And I want you to know, Senator, that child care resource and referral agencies are often on the very front line in disaster planning whether it is earthquakes in California, hurricanes in Florida or North Carolina, or fires in Oakland, CA.

What Ron heard were many, many parents calling because they had an informal child care arrangement. We are talking about very low-income parents—parents who might work as a bank teller. After the earthquake, the aunts, the uncles, the informal care that they had fell apart, because perhaps the aunt's house fell apart or was really dysfunctional. But these parents were calling and saying, "Not only have I lost my care, and please can you help me find something new," but also to ask, "Can you help me pay for it, because it was my aunt who was watching my baby. I do not make enough to pay the full cost of care."

And finally, I would like to share a story from Windsor, CT, Senator Dodd's own State. Again it was a grandmother. And I think it interesting in my sort of "quick and dirty" survey around the country that two grandmothers were the folks that people offered up. This again was a grandmother who had assumed custody for a 16-month-old grandson, and she was not receiving AFDC benefits. She needed child care, but in the course of the Infoline counseling of this parent, they were able to understand that not only did she need child care, but that really, she needed basic core support for this child, because her own income was extraordinarily low. And they were able to help play a function that R and Rs really do, which is to broker, to not only connect the family to child care, but to do that active listening and understand that what she needed was an advocate with her case worker. They were able to make that connection, and she was able to receive the benefits that she did not know about.

These are just a few examples. There are thousands and thousands and thousands of families like these that we speak to every day. We have a job to do. We need your support. We need expanded support for child care resource and referral, because although about \$20 million was invested in the block grant, representing about 2 percent of the total funds, it is not nearly enough. If we are serving 500 communities now, there are more than 500 communities where parents have no access to information, no help.

We salute our colleagues, like Bruce Liggett from Arizona, who have made funds available, but we need much more. And we need to protect the funds that have been available for resource and referral. And we know you are in a big spirit of consolidation here, but we were a little distressed this year to see that the dependent care planning grant, a teeny, tiny \$13 million program that supports child care resource and referral and school-age care, has been consolidated into the block grant. It creates a little bit of a funding gap for us, and we are very concerned that in States where these



services have been frugally funded, the loss of one penny is something we cannot afford. [Applause.]

Many of my colleagues have spoken to you about welfare reform, and I just want to echo. I hope that you know our wonderful Congresswoman Lynn Woolsey from California, who is the only Member of Congress who was ever on AFDC. She writes and speaks of reinventing welfare humanely. I think it is a message we have to take to heart.

Every child care center director who is here today, every R and R counselor knows that there is not enough child care; that the system right now is so shaky that without a massive investment of new child care funds, any welfare reform program is bound to fail. And if it does not fail for the adults it serves, it most certainly will fail for the children that AFDC—remember, Aid to Families with Dependent Children—purports to represent.

I thank you for your attention today. I hope that all of us will remember Tammy's children, Jessica and Emily; the children in New York, Matthew and Terrence. And I do not hope; I know that you can count on today being the beginning of a new hue and cry—more chains, loud voices, many voices gathered together to help ensure that quality child care services are available to all children in this country.

Thank you very much. [Applause.]

[The prepared statement of Ms. Siegel appears at the end of the hearing record.]

Senator WELLSTONE. In a way, I do not even want to ask questions, because I sort of liked the way you ended, and I feel like we should just get out there right now and organize.

Ms. SIEGEL. Come on—in fact, we invite you to our reception tonight.

Senator WELLSTONE. There are some questions I would really love to raise with you all, but let us see whether we can come back to that before we leave here today; it is so important.

By the way, I did talk to Lynn because she wrote a fine piece in the New York Times, and she said, "I hope you will help me," and I told her absolutely. I did not have her personal experience, but for years, I organized with welfare mothers and have had years of experience working with welfare mothers, so I share her perspective, and I think we have our work cut out for us.

One quick thing before I go to questions. On the merger in the block grant and your concern about that, it is interesting—as you were talking about some of the resource and referral work, it seems to me that sometimes we can get very technocratic about this, and I think in a way, you bring that home that this does not happen unless there is a way that we connect people with people, and people with information, and empower the parent or the parents to really be able to make decisions and know what works for themselves and their loved ones. Somehow just having programs with a title does not make it happen where people live.

So I think I hear what you are saying, and I want to know more, and I am sure others on the committee do, in terms of how we might be able to help on this, because it strikes me as a really important point.

Ms. SIEGEL. Thank you.

Senator WELLSTONE. I am going to ask three questions, and I would ask as many of you that want to respond each to do so.

First, if we could just have a little bit of discussion on the issue of training. It came up over and over again from all of you, in one way or another, talking about quality. Can you give some examples of some of the training programs, in terms of program development, that you think have really worked well to assure quality child care, that you see in your communities and your States?

Ms. SIEGEL. I will talk a little bit about training for family day care providers. Those are folks who are caring for small groups of children in their own homes.

What we know is that that training is a way to really empower people through the block grant. We talked about vans. In my own State, we have done a great deal of work to reach nonEnglish-speaking providers. The whole world does not speak English. In many communities in California, there are 89 languages spoken.

What people need is accessible training, training in their own neighborhoods, in their own communities. They do not want to always come out late at night or on the weekend, but they cannot come during the day. So in a certain sense, we have to work with them, get to them, and make it a place where they not only learn from what we have learned about good child development, but where they learn from each other's experiences, where we really value and use a peer model.

We have worked very closely with the family day care associations in many of our communities to help make that happen.

Senator WELLSTONE. And as long as we are talking about this, the other thing that perhaps some of you could respond to as well, since Head Start was mentioned a couple times—and again, I have some history going back to the mid-Sixties when we first began Head Start—is the whole issue of parental involvement. You might want to talk about some of the ways that that fits into quality.

Please, Dr. Daniel.

Ms. DANIEL. OK. I think I have exposed my bias very early, that I feel very much that the training that people get must be based in sound child development knowledge and must spring forward from that. That is the starting point for me.

Senator WELLSTONE. That is right.

Ms. DANIEL. And both the ground and the mid-level—it has to go all the way through.

One of the issue related to training is that while there is an opportunity to spread more training because of the block grant monies, one of the issues that trainers are facing and that providers of early childhood programs are facing is the need for the training to be differentiated. That is, everybody is not at entry level. There is a need to have training for folks who have been in the field a while, at the intermediate level and at the advanced level. So people who are providing the training are working very hard to graduate the training, if you will, to have it have an impact.

The other issue is that people are working very hard to figure out the best way to make training stick. You know, adults learn in some ways a little differently from children, but in some ways, very much the same way. And they need to have very concrete kinds of experiences where they can go and see good programs in

operation, where they have someone coming back—perhaps there is someone who has done some course work or some workshops with them around developmentally appropriate practice, for example. It is most helpful when the trainee has a mentor, for example, who comes into the classroom and supports the changes that that person is trying to make in their preparation for children and in their approach to young children. That is a very important feature in the training.

Senator WELLSTONE. Mr. Liggett.

Mr. LIGGETT. Well, Senator, having come into child care through the public administration end and not the early childhood end, I was amazed at how often I was approached by providers themselves, wanting training and wanting training during evening hours and weekend hours. I began to explore what it was going to take to get training to these providers and was so pleased and proud to find that, because of people like Dr. Daniel, there existed a body of knowledge already. All it took was some money to get it to them.

So we have a child development associate program through a community college in Arizona that, with a little block grant funding, was able to greatly expand the program all over the State, where they bring people out to the providers in rural areas and urban areas and make that training available.

We were able to piggyback on some funding that the Dayton-Hudson Foundation made available to Arizona for the family-to-family training project, again, some of the training in Spanish, working with some of our border communities with providers, and to attend the graduation, as I have, and see those providers just beaming—they impart that to the children, their own growth and development.

We have also had great success working with a self-study project through a program where providers and centers can work toward national accreditation, NAEYC accreditation. Just the process of going through and getting ready improves the quality of the whole program, and many corporate sponsors are also interested in that, and we have developed partnerships around training.

So I guess my point is that training is out there, and the private sector is interested in supporting it, and a little bit of money has gone a long way to a lot of training.

Ms. BLANK. I agree with Jerry on the important concept of mentoring. I think there is a greater realization that when you have someone onsite who can work with you and model good practices, it is very effective. And that concept is reflected in the Head Start reauthorization bill, and we have seen block grant money in California and several other States being used to support mentor-teachers.

Parent involvement is obviously extremely important, and I do not think that you can say that a child care center, because it is serving parents who work, cannot do good parent involvement. We have seen examples from both child care centers and Head Start programs that serve working parents. We are going to have to figure out how to do parent involvement if more and more mothers are going to go to work in full-day programs.



We have seen very creative efforts to reach parents by providing meals and services, so they can come after work and not worry about cooking dinner, have their children taken care of, and learn and work with their caregivers. Again, I think we are going to have to look into more ways of helping parents and making it easier for them to come to child care programs right after work.

I think a very important source of training that we sometimes overlook for day care providers is the child care food program. We have spent many years trying to ensure that there was no means test for the family day care portion of that program, that it was easily accessible to providers, because while providers only get nutrition training technically through the program, it is often the only visits they get during the year. They get three visits. The visitors that they get from the food program link family day care providers to other trainers and get them interested in the concept of training and learning.

I often hear from the Department of Agriculture, well, this is not a child care program, and I think we have to remember when we look at the resources available that that program provides one of the most important source of training and openings for more training to family day care providers, and we need to protect it.

Senator WELLSTONE. Yes, Patty?

Ms. SIEGEL. I just want to add one thing. I am thinking of a project that has been funded through block grant funds in California and is actually being used, I believe, in Illinois and is about to come to Minnesota. It is the program for infant-toddler caregivers, and it is unique because it is now I think a 12-part video series that really looks at quality infant care. And as I mentioned earlier, the need for infants is very dramatic in every community that is represented here today. We do not have good materials, and we often find that providers are working in isolation, and they may not be able to get out at all. Now, we like them to come and see the videos together, but producing good videos, videos that are interesting and not just sort of ho-hum boring, but that really engage providers and bring a variety—in this series, it brings the very best infant-toddler caregivers in the country together, talking about quality infant-toddler care, but at the same time demonstrating in the footage what it is.

So I think we really have to think about how we can get the biggest bang for our buck. And you mentioned rural communities earlier. We certainly have a lot of those in California, and these are a way to help to get the word out.

Senator WELLSTONE. I have just one final question. I actually had two questions, but I think I am going to just go with one of them, because they have sort of a different meaning. And you are the big influence on me on this, Helen. I was going to ask the question is there a child care crisis in this country, and instead, I want to put a little bit more positive thrust to that question, but I think it still gets at the same thing. I think this needs to be said as we bring this to a conclusion—but I do not think we can bring this to a conclusion just because the hearing ends; the work does not end—which would be more like this. In education Goals 2000, the goal is that each child comes to school ready to learn. What do we

need to do to make sure that that is in fact a reality in the United States of America?

This gives each one of you an opportunity to filibuster. I understand that you have days' worth of things to say, but if you could just prioritize. And I mean that as a serious question.

Ms. DANIEL. And we are taking it seriously. I think that the whole notion of "ready to learn" is a wonderful example of what is needed to cure this crisis. It is a wonderful example because I think those of us in the field have reached a point where we cannot do this by ourselves. We need the cross-disciplinary help of other fields. We need economists and anthropologists and even politicians to help get this job done.

The notion of "ready to learn," I am always saying that there is no way in the world that such a wonderful, glitzy, sexy, if you will, kind of terminology as "ready to learn" could have come from the early childhood community because we always take paragraphs to explain what we mean.

It took the skill sets of politicians who could look into the hearts of American people and figure out just what it is that they want for their children, and what the man and woman on the street want is their children ready to learn and to sore.

Senator WELLSTONE. Right.

Ms. DANIEL. So it is sort of a nice example of putting two different skill sets together.

What we have to do to get those children ready to learn is first of all to realize that intellectual development does not stand alone and that children cannot learn unless they have a very important social connectedness to the people, adults and other children, around them. Social stability in a child's life is what frees him or her to maximize his intellectual potential.

In addition, a child has to be healthy. He has got to have the basic of food on the table and a warm place to stay and the comfort and protection of adults.

This is our chance, if you will, to examine what is needed for the whole child to catapult that child into where we would like to see him or her be in terms of an investment in our democratic society. This is our chance.

Senator WELLSTONE. I am going to keep going, of course, with what you all say, and I really promise not to take much more time, but when you were saying that, I was writing down the wrong word in terms of the words that we use, because it is just too—whatever—but I was thinking about how we could decontextualize this. But it just occurred to me that one of the things I sometimes get really nervous about—and I am sure all of you have thought about this because you have devoted your lives to this work—is that we focus so much on the child, and I worry that we do not see the connection between the parent doing well and the child doing well. That obviously is terribly important in what you just said, Dr. Daniel.

Ms. SIEGEL. And actually, that was the point that I wanted to make, which is that when we try to envision what it takes for a child to be ready to learn, that absolutely must start with parents, with families, with the primary caregivers of those children.

If we imagine that we can do it with the child alone, we are really in a fantasy world. One of the things that we have not done well enough in this country in our existing child care system is find the ways to meaningfully involve and engage parents. We know how to do it in Head Start, and in Head Start, we have had the funds to do it. We do not have those supportive services funds available in child care. And I think as you look at and begin your deliberations on reauthorization of the block grant, and as you and your colleagues want those children ready to learn, one of the things I ask you to consider is how are the parents going to be brought along, and what kind of quality supports are you going to provide to our very fragile child care system so that parents have information, have access, and really are empowered to be what they are, the most influential piece of their children's lives.

Senator WELLSTONE. Absolutely.

Bruce?

Mr. LIGGETT. I ought to go next, because Helen will probably have a bigger ending. [Laughter.]

Ms. BLANK. The most expensive one.

Mr. LIGGETT. So I will again look at it administratively. If we want to get our children ready to learn, we are going to have to invest in developing the network of quality providers and make those providers accessible.

I get the opportunity to meet regulatory with my counterparts who administer child care in other States, and I am confident that the State structures are in place to begin to deliver on child care. I think we have proven ourselves, and I think we can grow. We have got the mechanisms now, and we are learning how to do this, so we can expand.

What we need now is the public policy statement—whom will we support—and get away from these narrow categorical funding streams that tie our hands, that restrict what we do, and the short-sighted approaches to our payment policies that do not let us pay providers adequately to deliver quality. [Applause.] We have got to be looking at some kind of entitlement for at least the lowest-income families in this country.

Thank you.

Senator WELLSTONE. Thank you.

Helen?

Ms. BLANK. Well, of course, you have to fully fund Head Start. But that really will not solve the problem. It will help some very, very low-income children, and it helps them in the model that all child care should have. But I think if we are really talking seriously about ensuring that every American child enters school ready to learn by the year 2000, we have to get a new attitude in this country about early childhood and child care and have a radical shift of priorities, because what we are talking about is serious surgery; it is not just adding to the pieces. And unfortunately, our entire child care policy in this country is guided by politics, what we can do and when. So we have a real patchwork system.

It is also guided by economics, and it is convenient for those employers that Dick Stolley talked about to continue the existing system, because we have low-paid providers making it inexpensive and possible for women to go to work. If we pay providers a decent



wage, and we stop the trade-offs between quality and affordability, it would just cost this country much more.

So we have to shift the economics and have people really be serious about the economics of prevention. We say we know that if we invest now in young children, we will not have to pay later, but nobody really believes that. And until we really understand that the front end is the most important piece—as our new FBI Director pointed out when he was asked what to do about violence, he talked about investing in 3 and 4-year-olds—and create a child care system for all families that really offers decent care, so we do not have State that let one caregiver care for six or seven or eight babies, and we have enough people to help providers do the job they need to do, and we care about the people who are doing the work, we will never reach that goal by the year 3000 or even 4000.

Senator WELLSTONE. I am a little worried about saying anything in conclusion because I feel like the panelists have said so much, and what you all have said is so important, and I only want to add to what you say; I do not want to subtract.

So there are just three thoughts that I have that I hope are helpful to everybody here. One of them is that we have talked about successes, but maybe for too long, over the last “x” number of years, we have become so used to trying to get what we can get that we are not exerting the kind of pressure we should be exerting. Maybe we have all been in this climate for so many years that we are grateful for the gains that we make, and we should be, and we celebrate each other’s work, but we have lost a little bit of our indignation. And it strikes me—I am thinking, Patty, about NACCRRA and what you said about the conference—it strikes me that there has been a shift in the country, and I think that we are supposed to be about the business of changing these priorities. And the really good news is that—unlike some areas that I can think of, where I would really hope the country would go in this direction, but I sometimes wonder whether people really would support it, or people in office would—everybody says they want to make a commitment to children. Everybody talks about the front end. And I think that somehow, there has got to be a way that—and maybe this comes out of the conference—we do not lose this moment of this gathering here today, and we come out of this with an organizing strategy which says, look, we celebrate the work we have done, but now is the time to really turn up the heat. This should be a time of immense change, and we should not just be told about these budget caps.

I can think of transfer amendments that deal with money spent for military here versus money that we could spend here. Maybe we need to get behind this and start really pushing it hard at this moment, because my fear is that if we do not, no one will. [Applause.]

I did not mean to give a speech, but it just occurred to me that the words have been so important. And just to be personal—you know, you work hard, and then sometimes you get down—I wish Chris Dodd had been here, because I have so much respect for his work. But out of self-interest, I have to tell you that people like you all really keep me going on. I just feel today, after hearing this testimony and seeing everyone here, like I have recaptured some of

my own indignation and determination. I feel very committed, and to not having a hearing that is just symbolic, and then it is an Alice-in-Wonderland quality, and then next year, and the next year, and then next year, and child care, the time has come and come and come and come. We have got to make the time come now. Let us work on it. [Applause.]

Thank you, everybody. Thank you very much for being here. And I have a note here about some people taking pictures afterward, and if anybody wants to do that, I will certainly be pleased to be a part of it.

Thank you. Patty, you finish up.

Ms. SIEGEL. Just one announcement. Part of making it happen now is that right this minute, no one leaves the room, no one goes to lunch. We are doing our briefing because all of us have appointments all afternoon, all over the Hill.

So NACCRRA folks, anyone else, it is going to be a short briefing because we have appointments coming up, but just stay seated, and we will get right to it.

Senator WELLSTONE. I love that. Absolutely. Stay seated, everybody.

Thank you all.

Ms. SIEGEL. We would also like to especially thank Sarah Flanagan and Patty Cole for all the work they have done in getting this hearing organized. [Applause.]

[Additional statements and material submitted for the record follow:]

#### PREPARED STATEMENT OF RICHARD S. STOLLEY

Good morning. My name is Richard S. Stolley and I am Senior Editorial Adviser at Time Inc. and President of the Child Care Action Campaign, a national, non-profit Coalition of individuals and organizations whose goal is to improve the lives of children and their families by expanding the supply of quality, affordable child care.

It is a privilege to appear before your committee and discuss the impact of the Child Care and Development Block Grant. I cannot help but think back to 1988, when there was no significant direct Federal investment in child care for low-income working families, when States were overwhelmed by the demand for childcare assistance and when millions of working families clamored, unheeded, for help to ensure that their children were safe and well cared for while they were on the job. It was in 1988. Mr. Chairman, that you came to CCAC's conference, Child Care: The Bottom Line, and so eloquently called for the creation of a dedicated federal program to help parents and pay for the quality child care their children need to grow, learn and be ready for school.

Now, six years later, thanks to your dedication and leadership, we can take a moment to look back on some of the accomplishments of the Child Care and Development Block Grant before appealing to our government to meet the child care needs of millions of families that the Block Grant is currently unable to serve. On behalf of all the parents we talk to, and our National Advisory Panel of 650 state and local child care leaders from business, academia, labor and the nonprofit community in all 50 states, let me express their heartfelt thanks.

As the president of CCAC, a journalist and a representative of corporate America, I come before you with a simple message. Quality child care is crucial to achieve each of this country's urgent domestic goals—a healthy economy, a strong education system and successful welfare reform. Without child care, we will fail to achieve any of these goals. The Child Care and Development Block Grant established an important foundation for our future efforts, but we have a long way to go. Although some employers are coming to understand the need for stable, quality child care and provide some assistance to their workers, business cannot be expected to solve the problem. Nor can parents alone solve the child care crisis. We need more public investment to bridge the gap between what quality child care costs and what parents can pay.

## CHILD CARE AND OUR DOMESTIC GOALS

*Quality Child Care Is Essential to Build a World Class Workforce*

In 1988, CCAC successfully made the case that affordable, quality child care was a basic economic issue. Its availability affects the well-being of the majority of American families, the bottom line of every business in the nation and the United States' ability to compete successfully in a global economy.

Quality child care has three basic characteristics: 1) It is provided in a healthy and safe environment; 2) It gives children the opportunity to develop stable, caring relationships; and 3) It provides adequate and appropriate stimulation so children can grow and develop.

Without financial assistance, such child care is beyond the reach of many families. Currently, parents pay an average of \$3,300 a year for one child in full-time child care. Compare this to the \$5,204 average public expenditure for one year of public schooling, which, unlike full-time, year-round child care, is available only 180 days per year and six hours per day. As long as we have a child care system that relies on what parents on their own can afford, we will continue to put our children at risk.

*Quality Child Care and Education Will enable Children to Enter School Ready to Learn*

A skilled and competitive future workforce is at stake. The Goals 2000 Report called for "all children to enter school ready to learn." Child care and education are inextricably linked: one cannot care without educating nor educate without caring. For true education reform, children must have positive early childhood experiences that help them grow and develop before they arrive at the public school door at age five or six. But too many of our nation's leaders—in business and government—still regard child care as a second-class substitute for parents, rather than as a family-supportive environment where children learn and blossom.

As a result of our 1993 conference, Child Care and Education: The Critical Connection. CCAC developed a model of early care and education for all American children. Our Policy Statement and Action Plan outline the principles of a universal system plus immediate action steps that will move us toward such a goal (attached).

## QUALITY CHILD CARE IS WELFARE PREVENTION

There is also an obvious linkage between quality child care and welfare reform. As we testify before your committee today, many of your colleagues are debating plans to "end welfare as we know it." If we had an adequate child care system that enabled low-income families to get and keep jobs, there would be many fewer who would need welfare in the first place. A study by the Illinois Department of Public Aid illustrates this point. Forty-two percent or the women on Aid to Families with Dependent Children (AFDC) said that child care problems prohibited them from working full time, and 20 percent said they had abandoned jobs and returned to welfare within the previous year for the same reason. It is hardly surprising that the same study found that mothers who got child care assistance when they left AFDC were more likely to remain in the workforce than mothers who did not.

## ACCOMPLISHMENTS OF THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

The passage of the Block Grant has made a real impact on children and families' lives across the country. CCAC's National Advisory Panel members report the following accomplishments in increased numbers of children served and crucial gains in child care quality;

*Helping Parents Pay for Child Care*

—Minnesota has used the Block Grant to enhance its low-income child care program. The program, financed through state, county and Block Grant funds, currently serves 6,500 families. The Block Grant, which accounts for approximately \$10 million of the \$28 million program, has served as an impetus to encourage the state to increase its funding for low-income families, despite current fiscal constraints.

—Through a combination of Block Grant and other federal sources of funds, Kansas has increased the number of children it served by 105 percent in the last two years.

—In South Carolina, 6,077 families received child care assistance from the Block Grant.

*Improving Quality*

In addition to helping families get direct child care assistance, the quality set-aside of the Block Grant has enabled states to begin to address the critical issue of quality. For example:



—Ohio, understanding that provider training is essential for child care quality, used the quality set-aside to enable 3,000 providers to get training. In addition to targeted training in care for infants, toddlers and children with special needs, providers learned First Aid and CPR, business skills and discipline techniques. Kansas also significantly increased its funding for training.

—New Mexico used Block Grant funds to establish a network of child care resource and referral agencies that provide parents with information about available child care and assistance in evaluating their child care options.

—Maryland developed a statewide plan for training that is a blueprint for a long-range and thorough plan approach to education and career development for child care professionals.

—Connecticut used a portion of its Block Grant funding to develop three regional resource centers to provide support and information for child care providers. The centers maintain lending libraries, supply materials to childcare programs, host workshops and information-sharing meetings and provide training opportunities.

#### *Child Care Needs Go Unmet*

After outlining several important gains in our fight to make high-quality child care a reality, I now must turn to some less heartening news.

We still face a child care crisis. Millions still desperately need help. Roughly 43 percent of children under six (8.4 million children) live in families whose incomes make them eligible for child care assistance from the Block Grant, but only a small fraction of these children are being reached. Some examples:

—Minnesota has 7,700 low-income, working families on its waiting list for child care. The typical eligible parent has an average wait of three years.

—California also reports a three-year wait.

—In June 1993, after exceeding its child care budget by \$4.3 million, Iowa changed its eligibility criteria from 150 percent of the federal poverty line to 100 percent.

—South Carolina estimates that it is able to serve less than five percent of families who are eligible for child care.

In a recent study by our colleagues at the Children's Defense Fund, 32 states said they now had larger waiting lists and families were experiencing longer delays for child care than they had in the past.

The quality of care that families receive also remains in serious jeopardy. Two weeks ago, the House Small Business Subcommittee on Regulation, Business Opportunities and Technology held a hearing in response to a report by the Department of Health and Human Services Inspector General, who found gross violations in the basic health and safety of licensed child care centers and Head Start programs. This report found children exposed to raw sewage, toxic chemicals and insect infestation.

In November 1992, the U.S. General Accounting Office (GAO) warned that state efforts to enforce child care licensing, which in many states were inadequate to begin with, were deteriorating even further. The GAO reported, "Many state officials are concerned that CCDBG funds for quality improvement, especially as limited by HHS regulations, will not be enough to sustain their efforts directed at quality."

It is time for all sectors of our society, including business, community and government, to say these conditions are completely unacceptable. We must not tolerate one more child in an unsafe setting. We must not tolerate forcing one more parent to leave his or her loved ones in unsafe child care in order to put bread on the table. Based on the accomplishments of the Block Grant, we know much more can be done.

#### *Role of the Business Community*

American business leaders are very powerful, and the policies they urge upon governments or institute themselves can make a real difference for families and thus for children. Business leaders do respond to calls to conscience and do recognize the moral imperative to improve the lot of our children, both with charitable dollars and volunteer efforts. But their response, I believe, must go beyond what we will get from appeals to their conscience. The cold reality is that business is quick to react to problems that affect the balance sheet, but right now too few companies and corporate leaders recognize the price they are paying for our national failure to care for and educate our children.

The federal leadership created by the enactment of the Child Care and Development Block Grant has led the way. Make no mistake about that. Encourage by your action, some businesses have taken important steps toward helping children and families. In the past several years, corporate involvement in child care has increased from an estimated 600 employers to about 5,600, a number representing 13 percent of the 44,000 U.S. employers with more than 100 workers. Although the business community still has a long way to go, this is a positive trend.

These enlightened employers can provide a number of supports to families. They can help parents locate child care by providing resource and referral services for

their employees, participate in the federal Dependent Care Assistance Plan (DCAP), operate on-site or near-site child care centers, provide flexible work hours, establish good parental leave policies and assist with the cost of care. Some heartening examples:

—The American Business Collaboration, a consortium of 137 major U.S. companies initiated by IBM, provides a national network of child care and elder care services for their employees. The consortium has raised \$25.4 million to increase the supply and improve the quality of dependent care in 300 local programs in 25 states.

—My own company, Time Warner, Inc., offers its employees an on-site backup center in mid-town Manhattan to help parents when regular child care arrangements break down. For parents living in the New York area, this benefit has been particularly helpful this winter. The center can care for 30 children a day at no charge to their parents.

—AT&T has established up to 12 months of unpaid leave for the care of newborn and newly adopted children with employer-paid health benefits for the entire period.

Large companies are not the only employers who understand that child care is essential for their economic well-being. CCAC's publication, *Not Too Small to Care*, profiles 29 small businesses that provide their workers with child care benefits. These companies, ranging in size from seven to 230 employees, belie the notion that size dictates the ability of employers to offer child care benefits. For example, Byrne Electrical Specialist, Inc., a manufacturer of electrical parts with 110 workers in Rockford, MI, established an on-site center for its employees in 1988.

These examples are important, but efforts of the committed minority are not enough. Only a small number of the millions of families who need help to obtain child care are reached through these initiatives, and the level of assistance offered by their employers may be insufficient. In only rare cases do employers help their employees pay for care.

Recognizing the importance of child care and the need for government involvement, last year the Committee for Economic Development (CED) released its report, "Why Child Care Matters: Preparing Young Children for a More Productive America." CED stated:

This country has long maintained that the responsibility for elementary and secondary education should be assumed by the entire community through all taxpayers, not just parents. This commitment comes from the view that education is an investment that brings substantial return to all of us as a nation—Ensuring the readiness of young children for school and for life requires a full-fledged partnership among families, the community, government, and private sector institutions, including business.

#### *Build on the Child Care and Development Block Grant*

The Child Care and Development Block Grant is landmark legislation for several important reasons. Its passage in 1990 was the first federal acknowledgement that low-income working parents and their children deserve high-quality child care and that this care is vital for the country's economic health. The Block Grant's formula enables states to develop plans, provide parents with the financial assistance they need and begin addressing child care quality. Indeed, the Child Care and Development Block Grant's weakness is simply that it does not provide nearly enough funding to enable states to meet the needs of low-income children and families.

Last year, four-year-old Matthew Hintzen and seven-year-old Terrence Fischer died in a fire in an unlicensed family child care home in Queens, NY. Two weeks ago, a similar fire killed an 18-month-old baby. Matthew and Terrence were two of eight children in the care of an 80-year-old woman who was helping out families in the neighborhood by caring for their children while the parents worked. She was able to rescue six of the eight children, but not Matthew and Terrence. Matthew's father explained why his son was in this family day care home, saying, "I had to use what I could afford." Think about that. In memory of Matthew Hintzen, our course of action should be clear. We as a nation must bridge the gap between what quality child care costs and what parents can pay in order to such care a reality in the lives of families like the Hintzens.

#### PREPARED STATEMENT OF HELEN BLANK

Good morning. I am Helen Blank, Director of Child Care and Development at the Children's Defense Fund. CDF is a privately funded research and advocacy organization dedicated to providing a strong and effective voice for children, especially poor and minority children and their families.

It is a special pleasure to testify regarding child care before this Committee, and you, Mr. Chairman. We are deeply grateful for the extraordinary leadership and

persistence that you displayed in the long struggle to enact federal child care legislation. Thanks to your deep commitment to children and very, very hard work, hundreds of thousands of low-income families have assistance in paying for child care and countless communities have better child care options for their families. I am here today to tell you about the significant changes in child care as a result of the Block Grant. Unfortunately, there is also a second part to my message: the unmet need is great, states are struggling with limited resources, and our children and their families need additional help.

I wish that you could have the opportunity to travel as I do from state to state and see up close what a difference the passage of the Child Care and Development Block Grant has made. Many states have had the amount of dollars available to help families pay for child care double, triple, or even quadruple. States have been able to extend child care help to completely new groups of low-income families. For example, South Dakota, North Dakota, Idaho, Montana, and Wyoming, who previously provided no child care assistance to low-income families unless they received AFDC, now fund child care for low-income working families. Colorado, who had only helped employed one-parent families with child care costs, now provides help to two-parent families and to parents in school or training.

States have taken advantage of new funds from the Block Grant to make some progress on another important issue—addressing low payment rates to providers. This problem dramatically limits the choices of child care available to low-income families. Before the passage of the Block Grant, it was even more common than today for providers to turn away children because state subsidies came nowhere close to covering the costs of child care. The state of Washington stood out in this arena. A 1986 survey by the Washington Department of Social and Health Services found that many providers refused to accept subsidized children. Of those who did, 60 percent limited the number of subsidized children they accepted, typically because the rates were too low.

In a 1990 CDF survey, child care administrators in 36 states reported that their reimbursement rates or policies made providers unwilling to serve low-income children. Since passage of the Block Grant, 40 states have raised reimbursement rates to child care providers to improve child care quality and encourage caregivers to serve low-income children. Washington state now reimburses all child care providers who receive public funds up to the 75th percentile of market rates.

Other investments in strengthening the quality and building the supply of child care have also paid off. Child development experts agree that training is one of the most important factors affecting the treatment of young children. In 1989, before the passage of the Block Grant, nearly half of the states either made no attempt to train child care workers or provided only minimal assistance. Almost every state now invests some of its Block Grant funds to expand and improve training opportunities for child care providers. Several states are developing statewide training plans. Many are making funds available to help caregivers earn credentials. Some are offering financial incentives.

New state training initiatives include mentoring programs, statewide resource centers, training clearing houses, and more intensive training for child care workers serving low-income and special needs children. Creative approaches are enabling hard-to-reach providers to receive training. For example, Georgia helps providers in rural areas by bringing trainers in a van to rural child care centers for Saturday seminars and evening classes. Idaho has trained its public health nurses so that they too can help hard-to-reach providers.

Connecticut has been able to set up three regional Early Childhood Resource Centers with libraries, toys to lend, and facilities for training. Similarly, Rhode Island, which spent no funds for training in 1989, established the Educational Center for Child Care to train administrators as well as caregivers. Oregon, which spent only \$35,000 for training in 1989, can now invest over \$200,000 to develop and pay for a basic eight-hour curriculum in health and safety and child growth and development to be delivered free statewide.

Child care licensing staff typically play a key role in monitoring programs and offering technical assistance to providers to help them to strengthen their services. At least 40 states improved their licensing and monitoring efforts. Nebraska doubled the size of its licensing and monitoring staff from 12 to 25. Tennessee, a rural state that relies heavily on family day care, was able to hire more licensers who not only inspect but also provide support and training to isolated family day care homes throughout the state.

States have also made investments to help child care programs offer more comprehensive services. Minnesota and Texas stand out. In Minneapolis, Block Grant funds contribute to Strong Beginnings, a program offering enriched services that mirror those included in Head Start to children enrolled in child care programs with



a high percentage of low-income children. In addition to bringing comprehensive services to children, funds help to ensure that a low child-per-staff ratio and small group size allow for more individual attention to children. Staff development, especially among minority populations, and improved compensation are emphasized. Texas set aside \$13 million for child care programs to provide more comprehensive services and to enable Head Start to further enrich their services or extend hours. The South Texas Community Action Council Project, which runs Head Start and child care centers, offers low-income children enrolled in the child care centers any service that is offered to its Head Start children and families.

Parents whose children have special needs also often have difficulty finding child care providers willing to accept their children. Thirty-three states have chosen to use some of their Block Grant funds to expand child care services for special needs children or to improve the quality of care they receive. For example, Minnesota has launched an unusual initiative to recruit and train both family day care and center providers to work with special needs children. The state of Washington will fund each county to pay for child care for homeless children to keep them from entering the Child Protective Services or welfare systems while also providing more comprehensive services to these children.

It is always easy to talk about how far we have to go, but it is important that all of us who worked so hard for the passage of federal child care legislation understand the considerable improvements that this program has generated.

Of course, I cannot come here today and claim that America's child care problems have been solved. Inadequate investments in early childhood still hamper efforts to reach the goal of ensuring that all children enter school ready to learn by the year 2000 and to help low-income parents work and be self-sufficient.

There are growing signals that point to the need to take another hard look at how this nation meets families' child care needs. The possibility of welfare reform increases the urgency of taking stock of the gaps in our current child care system, especially for our poorest families and children.

In most states, families still wait in long lines for assistance in paying for child care. A CDF survey conducted in the summer of 1993 found that 31 states and the District of Columbia had waiting lists for child care assistance or had stopped accepting new applications. These lists are formidable.

Illinois had 30,000 children waiting for child care assistance; Missouri had 5,000. Ohio has accepted no new applications for low-income working families for child care assistance since October, 1992. In California, as well as in many areas in Texas, it takes two or three years for a child care slot to come up. During this long period, many children simply age out of the need for services before a slot becomes available.

Child care assistance plays an essential role in ensuring that many poor parents are able to pursue the education, training and employment they need to leave the welfare rolls, and can keep the jobs that help them avoid welfare in the first place. There is a strong relationship between lack of child care and inability to work or to participate in education and training programs that lead to work:

—A survey of Illinois AFDC recipients commissioned by the Illinois Department of Public Aid found that nine out of 10 parents surveyed preferred working and using child care they liked and trusted to not working and staying at home. Despite their preference for work, child care problems created major barriers: 42 percent of those surveyed reported that child care problems kept them from working full-time; 39 percent reported that child care problems kept them from going to school; and 39 percent reported that child care problems prevented them from looking for work as much as they desired.

—An estimated 20 percent of those studied in Illinois had returned to welfare within the last year in part due to child care problems. Forty-two percent of teenage parents surveyed reported they had to quit school within the last year because of child care problems.

The scarcity of child care dollars has forced a competition pitting low-income families who are working against low-income families receiving AFDC. For example, 12 states have shifted state child care funds from working families in order to cover the state match required for federal child care funds for families receiving AFDC. Sixteen states used the Child Care and Development Block Grant, intended to provide help to low-income working families, to pay for welfare-related child care. They do this because they are unable to meet the state match required in the AFDC child care programs.

State juggling of scarce child care funds also affects families receiving transitional child care assistance (TCC) as they leave AFDC. In an increasing number of states, when these newly self-sufficient families use up their one year of guaranteed transitional child care assistance, they must compete with other low-income non-AFDC

families for child care assistance in order to continue working. If they don't receive help, many have no choice but to return to the welfare rolls because they do not make enough money to bear the full cost of child care. A 1992 study of 48 Minnesota families leaving transitional child care found that one in five returned to AFDC while waiting for further child care assistance. If states ensure continued child care assistance for TCC families, then other working poor families struggling to stay afloat are denied assistance. We need to assure that adequate resources are available to meet the child care needs of both those attempting to leave the welfare rolls and those who are not on welfare but are working and poor.

Even for families who are able to obtain child care, the quality is often not good enough to meet children's developmental and emotional needs. AFDC children can and should benefit from more comprehensive child care and preschool programs. Yet many of them are in informal arrangements that frequently break down, offer little stability for the child, and are the parent's only choice. State resource limitations and federal policy directives tend to lock AFDC children into low-quality care by keeping reimbursement rates low, paying working AFDC parents in ways that limit their child care choices, failing to provide minimum health and safety standards, and failing to adequately monitor or train providers of AFDC child care.

—A 1993 CDF study of states' policies for public child care funds, including the Block Grant, for children enrolled in informal unregulated settings found that many states don't require family child care providers to meet even minimal standards regarding training or immunizations and don't require background checks of caretakers for criminal or child abuse records. In many cases, a single provider is responsible for five or more children. This laxity is especially worrisome since some state and federal practices and policies, including low reimbursement rates, steer families toward this informal care.

Most of the larger systemic issues that fueled the enactment of the Block Grant are still with us:

—Although child development experts recommend that each caregiver be responsible for no more than three or four infants, 18 states allow child care centers to operate with five or more infants per adult.

—Even when states have adequate standards, as the HHS Inspector General's recent reports indicate, many providers are not meeting them. A study by Mathematica Policy Research found similar results. Only two-thirds of center-based child care programs surveyed by Mathematica met their state's requirement for child-to-staff ratios for groups in which the youngest child is between one- and two-years old.

—According to the same study, several key indicators of child care quality are deteriorating. Researchers found that the average number of children per staff member has risen 25 percent since the late 1970s, and the average number of children cared for in a single group has risen by 16 percent.

—The growth in the number of child care facilities leaves far too many inspectors with unmanageable workloads.

Low salaries for caregivers continue to fuel rapid staff turnover, threatening the ability of child care programs to offer consistent services of good quality. The staff turnover rate of 26 percent among child care teachers between 1991 and 1992 was almost three times the annual turnover rate of 9.6 percent reported by all U.S. companies, and well above the 5.6 percent turnover rate reported for public school teachers. Providing a living wage for workers is continuously traded off against raising the costs of child care for parents. As a result, women in these low-wage jobs provide the single largest subsidy to our child care system.

This year, a major study on career development for childcare workers documented another reason for the low quality of much child care: inadequate staff training. Despite the well established correlation between staff training and the quality of child care services, more than two-thirds of the states fail to require preservice training for teachers in licensed or regulated child care centers. Few states require this training for family child care providers.

We are deeply troubled that these problems will be exacerbated if a welfare reform initiative does not recognize the need to invest considerable new resources in child care. If successful, welfare reform will place an increased demand on a child care system that even now cannot ensure adequate and affordable care. It is not a matter of just coming up with a place to park children. The children whose mothers will be participating in work or training programs are among the most vulnerable. There is a long-held consensus that in order for these children to thrive and succeed in school, they need the benefits of high quality early childhood programs such as Head Start. Yet, welfare reform could place these children at even greater risk than they are now by creating the pressure for states to design the cheapest possible child care programs in order to accommodate the enormous new demands

that will be generated for child care assistance. The likelihood is that more and more children will be placed in unregulated care with untrained and unresponsive caregivers. This situation places them in double jeopardy. Parents with unreliable child care situations are more prone to miss work and lose their jobs.

It is critical that the drive to serve children whose parents are on or leaving AFDC not jeopardize low-income working families who are themselves one step away from dependence on welfare. With limited resources, more and more states will be tempted to use child care assistance targeted for the working poor to meet the needs of AFDC families. In order to stretch scarce dollars further, states will be tempted to lower payment rates to caregivers. The gains that were made with the enactment of the Block Grant both to serve more working poor families and strengthen the quality of child care could easily be washed away by the tidal wave of welfare reform.

Can we improve the child care situation in America? Absolutely. With increased investments at the federal, state and local levels as well as from the private sector, American families can be assured that their children are in safe and supportive child care arrangements. However, without a major national commitment to improving the child care options for families, the situation is not likely to change.

This year, Congress has several opportunities to improve and expand child care. Welfare reform legislation should be a vehicle for enacting policies to ensure high quality child care for AFDC children as well as expand child care assistance for low income working families. A strong Head Start reauthorization bill will help to guarantee that Head Start provides quality services in the years to come that meet the needs of today's families and communities. By appropriating the Administration's FY 1995 budget request for both Head Start and the Child Care and Development Block Grant, additional funds will be available to provide Head Start's comprehensive service package for more children, immediate child care assistance to low-income working families, and a modest increase in funds to strengthen child care quality. The Congress took some important steps in the last several years by enacting the Child Care and Development Block Grant. Now the task is to build on that foundation.

Thank you again, Mr. Chairman, for your leadership on child care issues. We look forward to working with you this year and in the future to assure that all low-income children receive the high quality, nurturing care they need so that they enter school ready-to-learn and their parents are able to work each day secure in the knowledge that their children are being cared for in safe, loving settings.

#### PREPARED STATEMENT OF JERLEAN DANIEL

##### QUALITY CHILD CARE: DAY BY DAY

Quality child care learning environments do not look like the traditional school environment that so many of us experienced as youngsters. Quality child care environments look like play time. Children are in motion. They are clustered around blocks on the floor. They are costumed in adult clothing, pretending. They are at small tables doing puzzles, or drawing pictures, or writing stories. The unschooled eye does not comprehend the nature of the educational experience in such settings. Further analysis reveals that children at play are like scientific explorers of the gap between the concrete and abstract worlds. The concrete world of a child has both social and physical components. A good teacher challenges and expands the child's natural curiosity about the social and physical characteristics of his life.

Quality in child care depends upon a teaching staff who understands child development. Working from a child development knowledge base, teachers provide the kind of opportunities that make the overall growth and development of each child. Developmentally trained teaching staff understand that, particularly for young children, care and education are inseparable. In fact, they are one and the same. Safe, nurtured children learn eagerly when presented with opportunities that match their developmental needs. The early childhood field has operationalized definitions of quality through accreditation (NAEYC, 1991). Similarly we have increasing knowledge of the full costs of providing quality services (Willer, 1990).

Far too few families, regardless of income, have access to quality child care services that meet accreditation standards. Unfortunately, the distribution of quality child care environments across the country is uneven because we have not paid enough attention to quality infrastructure issues such as recruitment and retention of qualified teachers, teacher training, physical facilities, group size, and teacher child ratios.

Administratively, child care programs are economically fragile. Even programs recognized as being of high quality are tenuously perched, struggling to maintain



their quality because it is difficult to retain qualified staff given the low salaries and inadequate benefits they can offer teachers. Administrators are losing the balancing act between trying to manage a program on affordable fees for parents, particularly the working poor, and the ongoing need for maintenance of facilities and equipment.

The links between economics and quality in child care are clear. Quality child care is a warm, nurturing, safe place to be. Creating quality requires that the group size be small with several teachers available to the group. The younger the children, the smaller the group must be so that teachers can give each child the individualized attention he needs. Teachers must interact with the children in ways that show respect for each child. They must give children focused attention by listening carefully and responding in ways that acknowledge each child's feelings, support the development of each child's self esteem, and applaud each child's inquisitive pursuit of understanding. When there are too few teachers, too many children, or teachers who don't understand how to support each child's development and learning, these important ingredients of quality are lost. Yet the fewer children, or the more teachers, the higher the cost of providing care. And, when turnover rates are high because of very low salaries and benefits, it is difficult if not impossible for children to form the warm, loving relationships with their teachers that are so important for quality care.

The social connectedness that young children feel with the adults supervising and teaching them frees the children to participate more actively in the learning environment. Children cannot maximize their intellectual growth potential in settings where they do not feel safe, cared for, and protected. The social stability of a child's life affords him the opportunity to organize himself intellectually. It is through contact with other people, beginning with his parent(s) that the child learns that there are points of view other than his own. Recognition of other points of view is fundamental to the ability to understand the world of ideas.

Quality child care learning environments offer children choices among a wide array of activities. It is not often that everyone is doing the same thing at the same time. Each child develops at his own pace and his choices are sparked by his particular life experiences which feed us curiosity. The environment in which children make choices has been prepared by teachers who understand that development is uneven and that children need opportunities that enhance their creative and problem solving skills as well as those that allow them to practice previously learned skills.

Inherent in the opportunity to choose is the time to explore in the safe, nurturing, prepared environment. That exploration time is the child's thinning time. Time to make the connections between the concrete and abstract worlds. Time to ask questions of the teachers. Time to ponder the adults' responses and to ask more questions. Successful problem solving requires time for spontaneous practice manipulating ideas, trying them out, discarding those that do not hold up, and building on those that work.

In quality child care environments teachers help children understand the purpose of signs and symbols, the numbers and letters, that promote math and language literacy. Children are given multiple opportunities to count forks, for example, as they set the table for lunch. Children's names are written on their art work. Children make lists and tell and write stories as part of their playful explorations. Children are read to regularly.

Finally, quality child care environments welcome meaningful parent participation. Parents are free to visit unannounced. They are included in curriculum planning through invitations to share information about special interests, to join field trip excursions, and to participate in regular parent teacher conferences.

Head Start is an example of a comprehensive early childhood program that has successfully involved parents at all levels. Head Start is also an example of a program that has been valued over the years in our society. Even with Head Start, we have only recently begun to recognize the importance of providing adequate funds to support quality programming, especially for children at risk.

There are numerous children eligible for Head Start who are either receiving no service at all or are being served in child care facilities. There are also families who are over the Head Start income guidelines who nonetheless need financial assistance in order to access quality services. The time is long overdue, when we as a society should insist upon high quality services for all of the nation's children regardless of the program auspices.

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#### PREPARED STATEMENT OF BRUCE LIGGETT

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to appear before you this morning on behalf of the Arizona Department of Economic Security. I would like to share with you the positive impact of increased federal funding for child care in Arizona, particularly the Child Care and Development Block Grant. I would also like to share with you some opportunities for improvements from my perspective as a state Child Care Administrator.

#### BACKGROUND

The Arizona Department of Economic Security (DES) is the state's largest human service agency. The Department administers the following programs: AFDC, Food Stamps, Medical Eligibility, Child Support Enforcement, Employment and Rehabilitation Services (including the Job Opportunities and Basic Skills program), Developmental Disabilities, Aging and Community Services and Children and Family Services, including child protective services, child welfare, and child care. This organizational structure provides unique opportunities for coordination and integration of service delivery. It is the Department's mission to enable the public we serve to "maintain or move toward economic and social self-sufficiency through an integrated service delivery system."

In July 1991, the Department established a Child Care Administration (CCA) to provide families with child care assistance that increases or maintains self-sufficiency and to promote the development of child care to meet the needs of all of Arizona's families. The Child Care Administration is responsible for all child care eligibility policy, provider relations and payments, and requirements for family child care providers that receive public funds. Child care centers and group family child care homes are regulated by the state Department of Health Services.

The CCA's goals are: 1) To develop a comprehensive, integrated and coordinated child care service delivery system; 2) To provide child care benefits on behalf of low income families that support informed parental choice of providers; 3) To deliver services through an efficient, effective, accountable, and responsible statewide system; and, 4) To improve the quality, availability, and affordability of child care for all families. To achieve our goal of a truly integrated child care system, comparable benefits should be provided to families regardless of categorical eligibility or source of funds. A coherent and efficient system that ensures continuity of care can only be developed when requirements for eligibility, provider standards, and payment rates are consistent across various programs.

#### CHILD CARE SERVICES FOR LOW INCOME FAMILIES

The DES manages five major funding streams to provide child care subsidy payments to low income families. It is necessary to review the phased expansion of child care services with federal funding to understand the current situation in Arizona.

The state began providing child care subsidy payments in the mid 1970's using primarily state appropriations and Title XX Social Services Block Grant funds. Unfortunately, due to the limited availability of funding, the income eligibility limits did not adequately address families' needs and the value of subsidy payments did not keep pace with the child care market. In spite of these limitations, the number of children served grew steadily.

The upper income limit for the state child care subsidy is 147 percent of the federal poverty level. The state subsidy program provides fixed rates based on income and family size. These rates do not take into account child age, type of care, or regional differences in the cost of care. Provider charges to families are not tracked and low income families often must make co-payments that exceed their ability to pay. For example, a family of three, in the Phoenix and Tucson metropolitan areas, with two preschool age children, that earns minimum wage and uses center based care is expected to make co-payments that range from 25 to 35 percent of their gross monthly income (based on median center charges.) Families unable to make such co-payments are too often forced to use substandard care, unlawful care, or no caregiver at all (i.e., latchkey).

In 1990, the state implemented the Family Support Act Transitional Child Care, JOBS, and AFDC-Employed Child Care programs that pay providers based on local market rates and establish eligible families' share of costs based on their ability to pay. The Family Support Act Child Care programs implemented by the department

greatly increased the likelihood for self-sufficiency for eligible AFDC families. Yet, due to limited funding, it was not possible to make similar benefit levels available to non-AFDC related families.

The At-Risk Child Care program provided critically needed federal funds to address the in poor hat are at risk of AFDC eligibility. The department used state subsidy funds to match federal funds and provide enhanced benefits to eligible families. Arizona's federal IV-A At-Risk funds are capped at approximately \$4.6 million annually, including both administration and child care services. By providing these child care benefits to the working poor, families are better able to maintain self sufficiency. However, many eligible families cannot receive At-Risk child care due to the capped funding.

The Child Care and Development Block Grant (CCDBG) made federal funds available to the state to improve the affordability, availability, and quality of child care. The DES is the designated lead agency responsible for administering the CCDBG. Arizona's current annual allotment is \$15.8 million. The department uses CCDBG funds to provide market based payments for families with incomes below 91 percent of the 1993 federal poverty level that need child care for employment, education, or job training. A family, identical to the one described above, that is eligible for CCDBG benefits would make co-payments that are less than 5 percent of their gross monthly income.

The coordination of the provider requirements, payment methods, and eligibility criteria for the state Child Care Subsidy, Family Support Act, At-Risk, and CCDBG programs has enabled the maximum integration possible. By maximizing federal funds, the department has provided enhanced benefits to low income families. During the period from 1988 to 1993, the number of children served increased by 175 percent and funds expended increased by 260 percent. Yet, due to federal funding limits, there remains a state subsidy program that provides benefits based on low fixed rates versus market based rates. The effect is a two-tiered system of child care benefits in Arizona. Since both the At-Risk and CCDBG programs are capped, a waiting list has been established for eligible families. These families may access the state subsidy program until federal funding becomes available.

In addition to subsidies for low income families, the Department administers CCDBG funds to increase the availability and quality of child care. The department enters into intergovernmental agreements and contracts through competitive bidding for CCDBG "set aside" funds. These funds have been used to improve the quality of child care and to increase the availability of early childhood development programs and before and after school services. The CCDBG law and regulations contain numerous requirements for administration and coordination. These requirements necessitate significant efforts to ensure compliance and to administer the program in an efficient and responsive manner.

#### ACCOMPLISHMENTS AND IMPACT OF CCDBG FUNDING

Federal funding under the CCDBG has allowed Arizona to begin to make significant improvements in the affordability, availability, and quality of child care. Five (5) major areas of improvement are described below.

1. Increased number of low income families receiving adequate child care payment rates. It is estimated that at the current funding levels, 5,000 children will be subsidized using CCDBG. Without federal CCDBG funding, these families would have been eligible to receive state child care assistance that is less than one half of the federal payment levels.

2. New and expanded programs providing quality early childhood and school age services. Funding was provided to start up programs and allow them to become self sustaining with ongoing public subsidies and private funds. Forty (40) projects were funded during the past two years that will create the capacity to serve an additional 2,000 children. Many of these projects are models of resourcefulness and local collaboration. Examples of types of programs that have been funded include:

- Six (6) child care programs that serve homeless families and victims of domestic violence.

- Seven (7) school based programs for infants and toddlers to encourage teen parents to complete high school.

- Two (2) pilot programs that extend Head Start to provide quality full day and full year services.

3. Statewide Child Care Resource and Referral Service. CCDBG funding has allowed the state to establish a Resource and Referral system that provides information and assistance to all families at no cost to the parents. It is estimated that annually, 19,000 families will be provided referrals for almost 30,000 children in addition to 12,000 calls for general child care information. While assisting parents in



making informed choices, the Resource and Referral system provides a critical foundation for provider development and quality improvement.

4. Improved Quality of Care. Eleven (11) projects were funded to improve the quality of care for specific providers and providers in designated geographic areas. These projects have delivered training to enhance skills and knowledge, provided curriculum development and equipment for developmentally appropriate practices, and established programs that lead to national accreditation of centers and family child care. As a result of these projects, the quality of care has been enhanced for thousands of children.

5. Increased Collaboration and Coordination. CCDBG administrative funds have been used to establish Advisory and Interagency committees and develop focal points for coordination within the state Health and Education departments and with the Head Start programs. Prior to CCDBG funding, no such formal linkages existed. These mechanisms have facilitated compliance with CCDBG requirements and helped ensure broad based input for deciding funding priorities. Specific areas that have been addressed include a comprehensive regulatory review, formal legislative recommendations for regulatory changes to increase the health, safety, and quality of care, interagency complaint procedures, consumer education, and data sharing.

#### OPPORTUNITIES FOR SYSTEM IMPROVEMENT/UNMET NEEDS

Significantly increased federal funding for child care programs and services have produced many benefits. Yet there is a tremendous need to further improve the affordability, availability, and quality of care in Arizona. Five (5) major areas are described below.

1. Increase Affordability for More Low Income Families. Arizona's two-tiered system provides inequitable benefits to families due to limited funding. Since the At-Risk and CCDBG programs are capped, initial waiting lists have been established for eligible families. Within six months, the waiting list contained 4,500 children. Attrition resulted in openings in federal programs, but the waiting list has again been established and after only six weeks, 1,550 children are waiting for federal benefit levels. To eliminate the two-tiered payments for the current children served, an estimated \$ 15 million would be required—an amount equal to the total Arizona CCDBG allotment. It is estimated that only 22 percent of the children under age six whose parents are working and yet fall below the poverty level are receiving subsidized child care. Additional funding would be required for caseload growth and to raise the income eligibility levels.

2. Further Expand and Maintain Quality Early Childhood and School Age Programs. While many new programs have been established, there is great need for further expansion. Only one-half of the proposals submitted have been able to receive funding. The new programs that have been established are struggling to become self-sustaining, limiting the number of new programs that can be established to these programs becoming self-sustaining include insufficient subsidy payment rates, payments based on participation in eligible activities, and parents' inability to contribute to the cost of quality care, particularly in low income communities.

3. Further Expand Quality Improvement Initiatives. Arizona is committed to Resource and Referral as an essential foundation of any child care system. Yet these services require virtually all the "set aside" funds earmarked or available for quality improvements. Available funding has allowed for limited provider training but has precluded any initiatives for improvements in monitoring and enforcement of standards, grants or loans to meet applicable health and safety requirements, and addressing provider staff salaries and other compensation.

4. Provide Additional Resources to Improve Health and Safety. The CCDBG regulations limit the amount of funding available for administration and quality improvements (above the set aside amounts) to 11.25 percent of the total allotment. The costs associated with effective administration and compliance utilize virtually all the funds available for administration. The state is exploring changes to the current center and family child care regulatory requirements based on the CCDBG regulatory review. These changes would ensure the health and safety of a greater number of children and improve provider access to training. The current amount of funds available and the regulatory limitations will not allow the state to use CCDBG funds to implement these proposed changes. The availability of CCDBG funds to develop, monitor, and enforce new health and safety standards is very limited.

5. Increase State Flexibility and Simplify Administration. The CCDBG does provide states the flexibility to determine services and funding within broad categories. Yet, for states that are attempting to integrate federal child care programs, the re-

strictions in the use of IV-A child care compromise efforts to develop a uniform system that is efficiently administered.

IV-A child care regulations under both the Family Support Act and At-Risk Child Care programs do not allow states to address supply and quality of care issues through recruitment of child care providers, provider training and development, or monitoring and licensing activities. Narrowly defined eligible activities creates incredibly complicated administrative procedures and do not provide adequate support for families and providers. Transitional Child Care (TCC) and At-Risk Child Care may only be provided for employment activities. Different fund sources must be used if an employed family also wishes to attend a training or educational program. Brief periods of job search is not allowed when employment is interrupted.

Child care funded under IV-A must be "reasonably related" to an allowable activity. This has been interpreted to mean that only actual hours in either training (JOBS) or employment (TCC and At-Risk) can be authorized for child care. This interpretation limits parents access to child care providers that require the general public to purchase service on a full day or full week basis. States are forced to dually authorize families under separate federal programs to cover families diverse needs for child care. States should be allowed greater flexibility to support parents' activities and to ensure access and continuity of care.

In Arizona, payment rates for CCDBG subsidized child care are set at the IV-A rates to meet the requirement for "comparable" services provided under other federal or state programs. States must pay up to the 75th percentile of a market rate or a statewide limit that is not less than the two AFDC child care disregard amounts. The methods allowed for establishing payment rates do not allow states to set reasonable limits while ensuring equitable access to providers. States should be able to establish multiple limits based on several categories of care in geographic areas and should have the option to exceed the 75th percentile. In addition, states should be able to further differentiate rates based on the degree of regulation and provide financial incentive for providers to exceed minimum state standards.

#### CONCLUSION

In Arizona, we are just beginning to address major system and qualitative improvements. The CCDBG has provided funding and targeted services that begin to "fill in the gaps" in subsidies and quality service development. We are learning what it takes to develop coordinated models of service, establish and maintain child care providers in low income communities, and efficiently manage multiple programs. We are improving affordability, availability, access, and quality in Arizona. Reauthorization and expansion of the CCDBG is critical for states to continue to comprehensively address the child care system.

As state and federal initiatives for welfare reform develop and expand, increased funding and flexibility are required to meet the needs of children and families. While the specifics I have discussed may be unique to Arizona, I believe that all the states are challenged by the pressing need for continued child care system development. Given the resources needed and the limitations of available funding, we will continue to face the difficult tradeoffs involving the number of families needing child care, the cost of comprehensive quality services, and the development of child care systems.

Mr. Chairman and Members of the Subcommittee, I appreciate the opportunity to testify today and I would be happy to answer any questions.

#### PREPARED STATEMENT OF MARILYN WARD, EXECUTIVE DIRECTOR, ERC

As Executive Director of ERC/Resource & Referral in Topeka, KS and Chairperson of the Kansas Association of Child Care Resource and Referral Agencies (KACCRRRA), I would like to document the need for the reinstatement of the Dependent Care and Planning Grant and the Child Care Development and Block Grant (CCDBG). Both of these federal funding streams have positively impacted child care resource and referral and direct service delivery, particularly to at-risk families in Kansas and across the nation.

Family structure has changed dramatically in America. In families where there are two parents, it is most common for both parents to work outside the home. There are increasing numbers of single parent families leaving the care of the majority of children in the hands of a provider outside the home. According to a recent report of the National Commission on Children the proportion of mothers with children under age six who are working or looking for work outside their homes rose from 32 percent to 58 percent in the last 20 years. Today approximately 10.9 million children under age six, including 1.7 million babies under one year and 9.2 million

toddlers and preschoolers have mothers in the paid labor force. Over 74 percent of women whose youngest child is between the ages of 6 and 13 are working or looking for paid work. With these statistics in mind, it is clear that working parents are in need of assistance when searching for child care. Consumers of child care need a single point of access that can help make sense of all the options and match their needs with available services.

Child care resource and referral (CCR&R) agencies are increasingly important for their unique ability to provide all these linkages. A CCR&R is designed to address the needs of both parents and child care providers: it gives parents the information to help them make informed choices in selecting care for their children, and it helps to develop and maintain quality child care programs that are responsive to local needs.

Since its inception, Dependent Care Planning and Development Block Grant funds have been a source of revenue for CCR&R's. This grant is, in fact the only federal funding stream designated solely for child care resource & referral and school age care. Monies obtained through the Dependent Care Planning and Development Block Grant have been instrumental in allowing agencies to expand, add equipment, and enhance technical assistance and services to child care providers and parents alike. This funding has made it possible for CCR&R's to work closely with state welfare reform and JOBS programs. It enables them to assist at-risk families in locating child care, free of charge, opening the way for them to participate in these programs.

Child Care and Development Block Grant funds have been an additional source of funding for CCR&R's as they strive to provide services to people of all income levels, with special emphasis on those families termed "at-risk". These families require special attention and staff time, particularly in the areas of parent education and provider procurement. Not only do we urge reauthorization of these funds, but ask that the quality set-aside portion of the funding be increased.

CCDBG funding was a major factor in strengthening the Kansas state wide CCR&R network thus assuring a systematic approach to demographic and geographic coverage of child care resource and referral in our state. Positive fallout of the distribution of CCDBG monies to CCR&R's in Kansas includes:

- Establishment of uniform standards for Kansas CCR&R's
- Improved communication between CCR&R agencies
- Improved working relationship between CCR&R's and state child care officials
- Establishment of new CCR&R's in areas of need
- Development of uniform data collection tools
- Identification of child care needs both at the local level and state wide.
- Enhancement of technical assistance to parents and child care providers.
- Expansion of provider recruitment tailored to the particular needs of each community
- Development of provider training customized to the needs of each CCR&R service delivery area.
- Strengthening of public/private partnerships by adding government dollars to agencies with partial private sector funding (United Ways, corporations, grass roots funding events, individuals).

All of this progress has been made in the two and a half years that CCDBG funding has been available in Kansas. These steps forward represent only a beginning. There are still gaps in the system that can only be filled with continued federal funding. CCR&R is lacking in some of the sparsely populated areas of the state. Methods of data collection and reporting remain to be perfected. Partnerships between CCR&R and state government need to be further developed.

Child care resource and referral agencies not only in Kansas, but nationwide, have a vision to positively impact the quality, availability, affordability and accessibility of child care that can only be fully realized with the reinstatement of the Dependent Care Planning and Development Block Grant and the re-authorization of the Child Care Development Block Grant.

Direct service delivery of child care services in Kansas has been positively affected by the CCDBG funds. In the past two and a half years CCDBG funds have increased the number of children receiving assistance for child care by 13-14 percent per month. This translates to an additional 2,000-2,300 children per month who otherwise might not be served who are benefiting from CCDBG funds. Low income families and single mothers—especially cannot take steps toward financial independence until they are assured of child care. These funds are administered through the Kansas Department of Social and Rehabilitation Services (SRS). SRS has shared some case histories of persons who received financial aid for child care through CCDBG funds. Quotes from these real-life stories tell best the importance of CCDBG in Kansas.



## Case No. 1:

"I started the KanWork program after my husband and I split up. That left me with no money and 3 kids. The program paid for my child care. Without this help, I'd still be sitting at home on ADC and food stamps. Now, I work full time and still get help with my child care so I can continue being independent, thanks to the child care assistance program." Dana Hawkins-Fry

## Case No. 2:

"As a single full time working mother with a mentally retarded child (Downs Syndrome), child care services provided through the Kansas Department of Social and Rehabilitation Services have enabled me to be employed and stay employed." Donna Doss

## Case No. 3

"In 1991 my child and I arrived in Topeka from New Jersey. I was separated from my husband, so I was a single parent with no one to look to but myself to support my child. I moved to Topeka to take a job. The first thing I found out was, that finding a job was very tough. I applied for welfare and got into the KanWork program. Even after I got a full-time job, I was placed in the child care program that went according to my income. It helped me tremendously to make ends meet. I can now say that I am completely independent of the system, but giving credit where credit is due, I have to say that if it weren't for KanWork and child care, it would have been very tough to succeed." Leah Mayo

## Case No.4

"When I found out I was pregnant, I was in the 11th grade and I was 17 years of age. I was scared. I didn't know what to say or do. A girlfriend told me about Highland Park High School having a day care for teens who have kids. I started there. Another program called KanWork paid for my daughter's child care. Since I finished high school, I am going to attend KAW for computer training, cause I would like to become a computer operator, so I can find a decent job to support myself and my little one. Without the programs I was in and the child care, I don't think I would have finished school. I just want to say to all teen mothers—Don't let no one tell you what you can and can't do with a child. Please stay and finish school. I did, so can you." Demetria Cisco

Interestingly enough three of these four cases sought assistance in finding their child care through ERC/Resource & Referral which is living proof of the link between CCR&R's and state government in providing maximum service delivery. Neither SRS nor ERC could have provided the level of service they did, had it not been for the federal support provided through the Dependent Care and Planning Grant and the Child Care and Development Block Grant.

The good news in Kansas is that the CCDBG money is making an enormous difference in thousands of lives. The bad news is that even with almost 15 percent increase in numbers of at-risk children receiving child care assistance per month, there are currently approximately 924 children on the waiting list for child care assistance each month. That number is predicted to increase to about 1,015 per month in 1995. The need for the Child Care and Development Block Grant reauthorization is obvious.

The key to empowering parents with the skills they need to obtain full-time employment lies in funding for child care. The federal sources of funding discussed in this testimony attack society's problems at their very core. Expenditures for child care have a long term, curative effect. Most especially, reauthorization of CCDBG provides funding which fosters the development of positive parent role models which in turn reduces the incidence of children repeating the poverty cycle. Funding for child care is a logical and humane approach to attacking the current national economic crisis.

#### PREPARED STATEMENT OF MICHAEL RUSH, CHAIR, TEXAS ASSOCIATION OF CHILD CARE RESOURCE AND REFERRAL AGENCIES

During the 1993 session of the Texas Legislature, some of the strongest support for increasing finding for subsidized child care came from employment and training agencies whose mission was to help low-income, unemployed persons find a job that could lead to permanent self-sufficiency. These advocates realized that no matter how effective their training programs were, nor how many bus tokens they passed out, clients with young children must have adequate, reliable child care in order to make the transition from tax consumers to tax producers.

As the Congress considers the difficult task of reforming our public assistance programs, the need for subsidized child care must be a primary consideration. Already, states have tremendous waiting lists for child care. Texas is serving 60,000 children per day from all finding sources, but 25,000 remain on waiting lists. It is crucial

that the welfare reform efforts include new money for child care; the working poor cannot afford to be displaced from care. If there is child care for the welfare reform period, but no realistic chance for subsidized care once the specified time period is over, then we will once again have created a disincentive for clients.

We also think that child care needs to be part of a continuum of services for children and families that includes consumer education on parenting, child development and choosing childcare; health care and health education; and case management to coordinate community resources for the best interest of the family. In Austin, TX, all agencies ad community resources serving the homeless are coordinating all of their activities into a single continuum with integrated case management. We think the welfare reform approach should mandate collaboration and coordination of resources with a outcome-based approach for clients.

If we are truly serious about a outcome-based approach, then the Congress should take a serious look at streamlining the regulations for the different funding streams for child care. Texas has developed a model for integrating all Federal finds for child care into one client intake system, but the system is complex and difficult to administer. The Child Care Management Service (CCMS) won a award from Harvard University for innovation in state and local government by developing a single system for client access, management of all Federal funds and for combining all applicable Federal regulations. It would be much simpler if Congress would unify all of the major funding streams for child care—Child Care and Development Block Grant, IV-A JOBS and At Risk, Title XX Social Services Block Grant, Transitional Child Care, Food Stamps—around a single set of regulations. States could then move forward rapidly to develop user-friendly client access with consumer education as well as efficient finds management.

The reauthorization of the Child Care and Development Block Grant with strengthening and expansion of coverage are very important to us. In Texas, these funds have been used to meet the needs of a wide variety of clients. In addition to supporting the working poor and JOBS clients, special set-asides have been created for teen parents and for children with disabilities. Health and safety concerns have been addressed by funding additional inspections of registered family homes by the child care licensing agency. Finally, the quality of child care has been dramatically impacted through the development of child care resource centers, the offering of thousands of developmentally-appropriate workshops and on-site follow-up training by child development specialists. The Child Care and Development Block Grant is the only Federal funding stream that directly addresses the question of the quality of child care, and that critical focus must be maintained and expanded to other Federal child care funds.

I would like to conclude by saying that the Child Care and Development Block Grant and the Dependent Care Block Grant, which is proposed for elimination in the Clinton budget, are essential supports for child care resource and referral services. Child care resource and referral is the front door of the child care delivery system. The ability to provide parents, funders and advocates with immediate and precise information about both the supply and demand for child care, coupled with a strong emphasis on parent education and empowerment, makes child care resource and referral one of the most strategic of opportunities to invest in the improvement of the child care system in this country. Child care resource and referral has one of the most effective records of leveraging public funds with private funds, as thousands of employers turn to CCR&R for answers in how to develop programs to address work and family needs of their workforces.

We strongly support the continued support for child care resource ad referral from the Child Care and Development Block Grant and the Dependent Care Block Grant. In Texas, over 20,000 families per year receive assistance in locating quality child care. 10,000 child care providers receive training and technical assistance through their local CCR&Rs. 400 employers utilize CCR&R services and invest \$1 million per year in their programs.

The Dependent Care Block Grant has gone beyond the needs of child care resource and referral agencies by establishing school age child care programs all over the state and by finding the development of on-line information and referral systems for better service of the elderly and those with disabilities. There is no other source of Federal funds that has been so versatile and effective at addressing a broad spectrum of human service needs, from the very young to the very old. We strongly support the continuation and expansion of the Dependent Care Block Grant.

#### PREPARED STATEMENT OF INITIATIVES FOR CHILDREN, INC.

Initiatives for Children, Inc. is the local child care resource and referral agency for the greater Houston metropolitan area. We helped over 7,000 families in 1993

with their child care needs. Many of these families expressed a need for some type of subsidized care. However, the funds to serve these families were expended early in 1993 and currently, huge waiting lists exist. The Child Development Block Grant is one of the major sources of subsidized child care for families below the poverty level.

Another important service Initiatives for Children provides is training and technical assistance to child care providers. Many providers lack training in the basics of child care such as health and safety, guidance, and appropriate activities. Resources, such as the Child Development Block Grant, allow us to provide this type of training.

In the Houston area, we have many child care providers whose only language is Spanish. However, no training in Spanish existed for these providers until the Child Development Block Grant money allowed us to provide training for over 100 of them.

Initiatives for Children, in collaboration with Neighborhood Centers (the Houston area agency that administers subsidized child care) and the Houston Independent School District spent the past year developing a plan to provide all day, year round child care and prekindergarten education services to eligible four year olds. This planning was made possible through the Texas Department of Human Services with Child Development Block Grant funding. A working model was developed using block grant money to pay for the child care portion of the all day care. However, over 250 children were forced to leave the program when the block grant money ran out. Without additional Child Development Block Grant funds, it is unclear whether the program will be available at all next year.

To quote, Dr. T. Berry Brazelton, a well-noted pediatrician and researcher, today in this country, 50 percent of working parents of young children are having to leave their children in care you or I wouldn't trust—nor do they. There is not enough affordable quality care available now. Think what it must mean to a parent to leave a baby or small child with someone callous or sloppy or who they fear might abuse or neglect him. What does that do to the grief a mother feels anyway in entrusting a child to another person? We need national, state, and local funds to improve and assure quality child care for children all over the United States. Otherwise, we risk watching half a generation grow up without nurturing care, and a whole generation suffer the consequences". We know that what Dr. Brazelton says is true because we talk with these families everyday.

Clearly the Child Development Block Grant money increases the number of families who are able to access quality child care for their children. It is the beginning of a solution to the crisis that faces us. The question we must ask ourselves is not "Can we afford to do this?", but "Can we afford NOT to?".

#### PREPARED STATEMENT OF DAVID S. LIEDERMAN

Senator Dodd and Members of the Subcommittee, I am David Liederman, Executive Director of the Child Welfare League of America (CWLA), an association of more than 700 public and voluntary agencies that provide a broad array of services to children and families. CWLA member agencies provide child day care—in centers and networks of family day care homes—to thousands of children from low-income families. I am pleased to provide testimony in support of the Child Care and Development Block Grant, which has assisted many so well with much needed child care services.

This landmark comprehensive child care program, enacted in 1990, recognized and responded to the crisis in child care for low-income, working families. Even though current stories in the media have highlighted problems, poor quality, and difficulty for parents in accessing child care, the Block Grant has clearly demonstrated that this federal program does work. We have seen in state after state, significant progress in addressing the variety of needs of parents and providers.

States have used the Child Care and Development Block Grant funds to serve more children from low-income, working families, to establish statewide networks of child care resource and referral services, to begin and/or expand training and professional development opportunities, and to improve facilities. One of its most essential features is that it includes funds for quality improvements in child care.

We have heard about the benefits of this program from parents and providers across the country. Let me share just a few of these reports:

A parent in Massachusetts who was able to find subsidized child care because of the Block Grant program reflected: "we moved during a difficult time for us. The center was such an unexpected find that I could not believe our good luck. My daughter loved her day care from the very first and while we both found our new



life, it was a constant comfort to us. She could not be in better hands and would find consistency and safe haven among friends and loving adults."

A state administrator in New Mexico commented "the Block Grant funds provided an opportunity for a state like New Mexico to build an infrastructure." The block grant funding more than doubled the services to children from low-income working families, built a system of contract and vouchers, and developed a resource and referral network.

A family child care provider in New Mexico said "the training I received enabled me to obtain a CDA and I am about to complete my Associate's Degree. It has helped me feel better about myself." This provider now acts as a mentor to new family child care providers.

A day care director in Minnesota whose program received block grant funds to provide anti-bias, multicultural curriculum training, noted "It was wonderful. I have seen the difference it has made. Parents have commented and expressed appreciation of the introduction of more culturally sensitive materials in the classrooms."

A director of a statewide child care association in Pennsylvania told us that the funds helped raise reimbursement rates for the first time in 10 years and provided a "much needed infusion of dollars. With higher rates, more providers and centers now participate in the program which offers more choices for parents." Pennsylvania now serves almost 14 percent more children because of the Block Grant.

In Illinois, a director of a facilities fund commented "with the increase in demand for child care there was not enough physical space for new or expanded programs. The child care block grant was used in partnership with private lending dollars to make capital investments. It brought together private, state and federal dollars to begin to answer one of the problems facing the child care system: quality space."

In Maine, a child care director reported that "with these funds, staff to child ratios were improved, restoring them to previous levels that were cut when the state cut back child care funding in earlier years."

And, from a child care resource and referral staff member in California, we learned that "the block grant was used to expand respite care services by providing services for longer period, to many more children, and by expanding the eligibility base to include prevention." Block Grant funds were also matched with private resources to serve teen parents who needed child care.

These stories highlight just the beginning of what can be done with the Child Care and Development Block Grant funds. Innovative, creative programs are being funded to meet a variety of needs unique to each state, as well as needs common across the states, such as affordability of care for low-income working families and adequate compensation for child care professionals. The Block Grant allows each state to assess its own needs and support activities to meet those needs.

I have attached to this testimony a letter from a Family Day Care Coordinator in Rhode Island that further affirms the importance of this program and reinforces support for reauthorization and expansion.

Although work has begun in earnest, so much more still needs to be done. A recent study by the Children's Defense Fund recently reported that over 35 states had waiting lists for low-income working families:

- Florida reported over 25,000 children on its waiting list
- Alabama had over 8,000
- Georgia had over 15,000
- California reported that it takes two to three years on its list before one receives subsidies
- Iowa had over 5,000 children on its list in March, 1993
- Illinois had over 30,000 children
- Maryland had over 4,000 families
- Nevada had over 16,000 children
- Pennsylvania had over 6,000 children

Several other states did not report lists because they do not keep them. One state apparently has avoided a waiting list by lowering eligibility guidelines.

The importance of the services provided by the Child Care and Development Block Grant is recognized in this Administration's 1995 budget proposal as investments in this nation's future. The President's 1995 Budget does propose a 19 percent increase in overall funding for the Child Care and Development Block Grant, bringing total funding to a level of \$1.1 billion. This increase is desperately needed to assist low-income families who need child care. While these sums will not meet all the existing critical needs—nor the expansion necessary to effect quality welfare reform—the proposal makes significant progress.

The Child Care and Development Block Grant provides a cornerstone in the array of child care services and programs to assure affordable, quality care for our nation's

children. The CWLA remains eager to work with you to achieve that goal and supports your efforts to reauthorize and expand funding for the Block Grant.

PREPARED STATEMENT OF MARIA SVIHLA, EXECUTIVE DIRECTOR, THE DAY CARE ACTION COUNCIL OF ILLINOIS

My name is Maria Svihla and I am the Executive Director of the Day Care Action Council of Illinois. Established in 1969, we are a not-for-profit membership organization of parents, child care centers, home day care providers, educators, and others who are dedicated to the promotion and expansion of quality child care services in Illinois.

The Day Care Action Council of Illinois strongly advocates for reauthorization of the Dependent Care Block Grant. The supply of quality child care in the state of Illinois is vastly insufficient to meet the current needs of Illinois families. As is the case across the nation, the proportion of families lies headed by single mothers has increased and the economic status of two-parent families has declined; more and more mothers are working outside the home, out of economic necessity. In Illinois, nearly 60 percent of all our children under the age of six have no parent at home full-time. For children ages 6 to 17, that figure rises to 70 percent. Despite this widespread social reality, there has been no fully comprehensive societal commitment to creating the necessary volume of quality child care. Parents face a major challenge when they seek child care they can both feel comfortable with, and afford. Figures from a 1991 study by the Illinois Department of Public Aid show that in 1990, there were 1,886,700 children in Illinois under the age of 11, but only 157,616 licensed child care slots. Areas of the state with the highest mean income had a ratio of 10.3 children per child care slot, while for those areas with the lowest mean income, this ratio was 16.1 per slot.

Fortunately, the nationwide dearth of child care has received some monetary attention at the federal level: the first comprehensive child care bill since World War was enacted in 1990 creating the Child Care and Development Block Grant (CCDBG) and the "At-Risk" Child Care Program. These funds are the only source of child care subsidies for the working poor. For thousands of working poor families, their child care subsidies afford them the opportunity to work; without them, many are forced to seek public aid. While the CCDBG and "At-Risk" funds have helped, there remains at least 10,000 families on waiting lists for CCDBG subsidized slots in Cook County, Illinois' most populace county, alone. Furthermore, in September, 1993, Illinois reached its federal cap of 13 million 700 thousand dollars in "At-Risk" child care funds. Since September, hundreds of families have been left without this safety net of child care, and undoubtedly some will fall onto the welfare rolls.

The President's current budget does not greatly ameliorate this situation. The amount of federal dollars allocated to the "At-Risk" program was not increased. While a 198.3 million dollar increase was made in the CCDBG, this does not take into account the fact that the programs formerly supported by the Dependent Care Block Grant, the CDA Scholarship Grant, and the Temporary Child Care-Crises Nursery funds, are now to be paid for out of the CCDBG. This means the net increase in CCDBG was only 172.13 million dollars. Admittedly, this is no paltry sum. But the needs across the fifty states are tremendous. As I've already stated, a single county in Illinois contains more than 10,000 families, including those headed by teenagers, under-served by the CCDBG, and consequently prone to welfare dependency. This CCDBG increase will help, but doubtlessly, some families will be left behind.

If the Dependent Care Block Grant were reauthorized for its relatively small FY 94 level of 12.9 million dollars, the strain on the currently allotted CCDBG funds would be at least somewhat alleviated. Furthermore, the DCBG is designated specifically for the development of school-age child care programs and child care resource and referral services (at a 60 percent-40 percent ratio respectively). These two target areas are critical to the overall enhancement and increase in our nation's child care resources. School-age child care is the only current remedy for the phenomenon of "latchkey kids." - As stated above, fully 70 percent of Illinois school-age children are at risk of being alone after school, either at home or on the streets. R&R services are absolutely pivotal to informing parents of where to find child care, and fostering the development of greater numbers of qualified providers. Undoubtedly today's testimony from others has made clear the absolute necessity of R&R services. Reauthorization of the DCBG would insure that these particular areas of need are funded at at least the same level they were in FY94.

Allow me to share with you how the 589,796 dollars in DCBG funds received by Illinois in fiscal year 1993 benefited the families of Illinois:

The 60 percent of this money allocated toward School-Age Child Care supported the following major activities:

- 13 School-Age Start-Up Mini Grants resulting in a 28 percent increase in school-age slots (305 slots), distribute evenly throughout the state
- School-Age Leadership Seminars for advanced school-age practitioners
- Sponsorship of the School-Age Network, a professional organization, whose activities include the following:
  - Statewide School-Age Child Care Improvement projects designed to address the specific needs of 21 regions across the state, including staff training and quality enhancement
  - A support network for school-age personnel fostering the exchange of ideas
  - Two School-Age Network Conferences attended by 225 participants in the fall of '92 and by 482 in the spring of '93
  - The distribution of School-Age and Family Day Care Newsletters
  - The Cook County Project for continued intensive training of school-age directors and line staff

The 40 percent of Illinois' DCBG money allocated toward Child Care Resource and Referral services funded the following:

- R&R computerization and data collection which ultimately provided more than 27,600 parents with referrals statewide
- Quarterly training seminars for R&R consultants
- A 20 percent increase in the number of child care providers and a 17 percent increase in the number of child care slots.
- The contribution made by the Illinois Department of Children and Family Services toward the Family-to-Family Initiative. This initiative has attracted money from private industry (e.g., Dayton-Hudson, the Chicago Business Collaborative) for the increase of quality day care throughout Illinois.

Obviously the families and consequently the economy of Illinois have greatly benefited from the Dependent Care Block Grant. If this nation is serious about attending to the child care crisis we now face, this small 12.9 million dollar line item will reappear in the fiscal year 1995 federal budget. The well-being of America's children and their working parents, is certainly worth it.

PREPARED STATEMENT OF BARBARA L. FEDOROFF, EXECUTIVE DIRECTOR, PROGRAMS FOR PARENTS, INC.

Our agency serves children and families in Essex County, NJ—an area characterized by the contrast of being home to the nation's wealthiest (Short Hills, Essex Fells, etc.) and the most devastating poor, (the City of Newark, East Orange, Irvington). Daily our counselors are brought face-to-face with the problems families in these poverty ridden cities experience as we assist them with their child care needs.

Our programs include a child care resource and referral (both corporate and public); the registration, training and monitoring of Family Child Care Homes; parenting seminars; child care advocacy; and New Jersey Cares for Kids, the child care certificate program. This vital service provides a child care subsidy to low-income working parents or those in school or training and provides a major incentive for these parents to stay in the workforce. Many would not be able to do so if their child care was not subsidized, increasing our welfare roles and diminishing their self esteem. The child care certificate program is federally funded through Title IV-A and the Child Care Development Block Grant.

Our Essex County certificate program serves 1,232 children from 760 families. We have a current waiting list of over 2,300 children from over 1,500 families. Our concern is focused on the lack of emphasis the Clinton administration has placed on this program thus far, as contrasted with the seemingly exclusive emphasis on expanding Head Start. These are both valuable programs, but we would like to see greater equity in their future. The critical aspect of the New Jersey Cares for Kids certificate program is that it requires parents to work and to accept economic responsibility for their families. If our nation is to stabilize economically, we must support programs like this that move us away from a welfare state.

These figures are all abstract. The value of this program is best understood by knowing a real recipient. A single Afro-American mother of three was on AFDC while attending a community college as a nursing student. She qualified for the child care certificate program and because her child care was subsidized, she was able to stay in college. While in school you contributed \$262.40 a month toward her child care and she made a co-payment of \$19.05. Today she has graduated and the tables have turned! Today you contribute \$43.30 a month and she makes a co-payment of \$238.15. This is a dramatic example of how this vital program is decreasing



family dependency on subsidies—and are becoming contributing members of society responsible for their own families. As history has shown, children follow the example set by the parent. The children of the young nurse are more likely to be contributors than children whose parents are still on welfare.

Child care provides critical developmental services to children and is an essential support service to working families and families striving to become self-sufficient. Funding for the Child Care and Development Block Grant is proposed to increase by approximately 20 percent to a level of \$1.1 billion in the 1995 reauthorization and expansion of the Child Care Development Block Grant. This increase will provide additional support for low-income families who need child care in order to work or to participate in training or education programs. Your support of this increase is critical to the future expansion of this program and in particular, extending this subsidy to families who are on our waiting list—some for 2 years now.

PREPARED STATEMENT OF RODNEY D. FULTON, EXECUTIVE DIRECTOR, CHILD CARE CONNECTIONS, INC.

As the director of a Child Care Resource and Referral Agency, I am pleased to offer this written testimony. Child Care Connections is one of 12 local, non-profit, community based agencies that are joined collaboratively into the Montana Resource and Referral Network. Child Care Connections works with 19 Day Care Centers, 160 family and group day care homes, and 22 legally unregistered, exempt child care providers. We provide referral and parent counseling to an average of 65 individuals per month. Under contract with the Department of Family Services, we administer child care assistance for 36 individuals receiving At-Risk Child Care, 63 individuals on the Child Care Development Block Grant Sliding Fee Scale, 18 JOBS clients, 44 Transitional Child Care recipients, and 45 IVA Self-initiated child care participants. Thus, while we may not be a particularly large agency, we are comprehensive in our services. In addition to State funding, we expand our referral services to the entire community thanks to the generous support of United Way of Gallatin County.

Child care is a need that cuts across all socio-economic strata in the United States. No matter what one's income, the ability to be a productive employee is often dependent upon the availability and affordability of quality child care. However, children are the true beneficiaries when we insure quality child care; children suffer the most when quality care is not accessible, available or affordable requiring parents to warehouse children in babysitting situations. The needs of children must be paramount when decisions are made about child care issues.

For these reasons, an infrastructure that insures quality in monitoring and support of child care providers in all settings; accessibility to information about child care options; availability of real choices for those seeking child care; and affordability of care for all while still providing worthy wages for child care providers must be built and maintained. Resource and Referral agencies across this nation have been and stand ready to continue to be the cornerstone of that infrastructure. But just as our nation's transportation infrastructure needs Federal initiative and resources, so too must the Child Care infrastructure be federally supported in collaboration with State governments, private agencies, and employers.

Providing child care support for all families according to their needs and resources makes good sense. We need to address those who are single parents for whatever reasons, those who are combining welfare with work, those who are leaving welfare for work, working but poor families as well as two adult families where both must work so that child care is essential to the maintenance of the family. Assistance with payment is but one of the necessary components in child care support. There are many who need assistance with payment, but there are also many who have the resources to pay for part or all of the expenses for quality care. However, the child care infrastructure must also provide consumer education so that all can be knowledgeable users of child care. The infrastructure must also provide consumer protection to maintain the health and safety of each child who spends any part of his or her day in child care. Consumer education and consumer protection are as important as any other component of child care support services.

A collaborative effort of Federal, State, local and private support will insure an infrastructure that can recruit, train, support and monitor the profession of child care. Information is perhaps the most important component in this support. However, information without the capability to act is insufficient. Funding that allows action is an essential component in the child care infrastructure. Funding can not only reimburse the cost of direct services. All the funding in the world can not purchase quality child care if quality care does not exist. Without an infrastructure that allows resource and referral agencies to deliver information and develop skills so

that parents are wise consumers of child care and providers are professional deliverers of quality care, our work will be incomplete. Without an infrastructure, we will simply be addressing the symptoms without dealing with the causes.

I thank you for your kind consideration and hard work on behalf of the children of this nation. I trust that you will consider my testimony and look forward to continued high levels of Federal support for Child Care Resource and Referral.

**JOINT PREPARED STATEMENT OF SALLIE WESTHEIMER AND CHRIS HUMPHIREY,  
COMPREHENSIVE COMMUNITY CHILD CARE**

Thanks to the United States Senate and House of Representatives, the Child Care and Development Block Grant increased the availability and quality of early child care and education. Unfortunately, across the country, the need exhausted available funds. By October, 1992, the State of Ohio was forced to close intake to new families and raise fees for those still eligible. In some cases, fees increased by more than \$200 a month, far exceeding the capacity of low-income families to stretch their budgets a little more.

For 16 months the only new families able to access public funds for child care were receiving ADC or had received it in the previous 12 months, were enrolled in a publicly-funded job training program, or were under a protective order for child abuse and neglect. Working families, struggling to pay the full cost of child care on very low wages, parents who rely on no other form of public assistance, were closed out of the system. Too often such parents are forced to make choices for themselves and their children that no parent should have to make. We heard of one such mother and father whose two-year old child sleeps in the back seat of the family car while the mother, a crossing guard, helps other parents' children get to school safely.

Recently, intake eligibility opened again in the State of Ohio. In an effort to control spending, the legislature imposed income limits that restrict access to working poor families. New enrollees must be at or below 100 percent of the federal poverty level. That means a single parent with one preschool child must make less than \$4.50 per hour on a full-time job to get financial assistance for child care. Clearly, the funding is too limited when a family of 3 with a monthly income of \$1,000, just over 100 percent of the federal poverty level, is expected to pay the full cost of child care, a cost that often exceeds \$300 per month for a three-year-old. For a working family like this and many others, the full cost of care can exceed 30 percent of family income.

There are no easy answers when many interests compete for limited funds. But quality developmentally appropriate early child care and education for our youngest citizens is an investment in the future. Many will only get it if their parents' hard work is supplemented with a child care subsidy.

We urge you to include adequate, if not generous, funding for high quality early child care and education in any welfare reform legislation. I would bring your attention to a welfare elimination bill sponsored in the House by Representative Eric Fingerhut of Ohio which calls for universal child care subsidy on a sliding fee scale to all households with incomes below 200 percent of the federal poverty level.

We urge your ongoing support for funding of the Dependent Care Planning and Development Grant, a critical source of revenue for resource and referral services to support quality and infrastructure in our child care system. Research confirms a definite link between good quality care in the early years and later school performance. But barriers to quality like dismally low salaries, inadequate staff training, and high staff turnover compromise quality and devalue the importance of the earliest years. Resource and referral agencies like ours are unrelenting in our efforts to reduce the barriers to quality early care and education.

We urge you to support the refunding of the Child Care and Development Block Grant to a level that supports working poor families that contribute to the economic stability of our nation. These are the very families that set an example of the work ethic for their children but are forced to make poor child care choices during their children's most critical developmental years.

Finally, we urge you to oppose current attempts to balance the federal budget with a constitutional amendment. The amendment is an inappropriate and dangerous response to the federal deficit problem. It would require massive cutbacks with economic dislocations and inequities in program cuts for the least powerful in our society.

I thank you for the opportunity to speak on behalf of children and families and thank you for your ongoing support of our efforts.

PREPARED STATEMENT OF LESLIE WELL, EXECUTIVE DIRECTOR, SUNSHINE SCHOOL, INC.

IN SUPPORT OF THE CHILD CARE DEVELOPMENT BLOCK GRANT

Sunshine School is a non-profit child care center in Fort Collins, CO. Sunshine School works closely with three other child care agencies, a Child Care Resource and Referral Center and the local community college to provide affordable, quality child care to children from birth to age 12. This collaborative group has received block grant funding for the past 2 funding cycles. What this funding has meant to Sunshine School clients follows.

Between July 1992 and January 1994, 12 un-duplicated children have attended a quality preschool/child care program that has provided them with a safe, nurturing environment in which they could participate in developmentally appropriate activities targeting the growth of the whole child. The Sliding Scale Tuition Program subsidized by the Child Care Development Block Grant funds received by Sunshine School made enrollment for these children possible. These parents represent the following population demographics:

Single parent family—8

Student parent(s)—7

Entry level employment—5

Special needs child—2

Minority—4

When you put a face to the above statistics you have a wide variety of parents working to become economically self-sufficient. The 1 student parents are working on degrees or certificates in the areas of legal aid, business (2), accounting, nursing, secondary education and pre-med. 3 of these clients graduated or completed their program. 2 have been employed in their field and one has been accepted to grad school. The 5 working parent families are all in jobs that have a future which will lead to economic self-sufficiency. When asked, each of these families stated clearly that without the sliding scale tuition, they would not have been able to afford child care and would have remained on full public assistance at least until their child began first grade. That represents a combined total of 27 years worth of welfare. The reality is that these families are off of full assistance and will be able to obtain economic self-sufficiency by the time their child is in grade 1 instead of waiting until then to begin.

Please keep these 12 children and their parents in mind as you consider funding the Child Care Development Block Grant. The answer to the questions of is this money making a difference and is it being used in appropriate and fiscally sound manner are both a resounding YES!! The goals of assuring that young children are in an appropriate environment and that adults are becoming economically self-sufficient are being met and the families mentioned here are all very grateful for the opportunities that the block grant has made possible.

Thank you for your time and please remember to support the Child Care Development Block Grant.

PREPARED STATEMENT OF DR. WILLIAM J. TOBIN, DIRECTOR, GOVERNMENT RELATIONS, CHILD CARE AMERICA

Mr. Chairman and Members of the Subcommittee. CHILD CARE AMERICA, a national trade association representing private, licensed and religious childcare centers, is pleased to offer the following testimony for your deliberations concerning quality issues related to childcare for working families

Throughout the recent three-year Congressional debate that resulted in the enactment of the Child Care and Development Block-Grant (CCDBG) and related legislation, and continuing through the period during which the Final Rule governing the legislation was developed, and thereafter, CHILD CARE AMERICA has consistently affirmed that 4 basic principles or values should remain in balance; 1) The right of parents to make an informed choice about the provider for their child; 2) The right of children to equal protection in the areas of basic safety and health; 3) The right of States and localities to make applied decisions concerning programs for which they are responsible (under the well-acknowledged "Principle of Subsidiarity"); and 4) The right of the public to an accountable use of the funds they have contributed to childcare programs through taxes.(See Testimony Provided at a Hearing Before the Subcommittee on Human Resources of the Committee on Education and Labor, House of Representatives on the Proposed Child Care Regulations for the Child Care and Development Block Grant and the At-Risk Program, October 31, 1991, Serial No. 102-87, pp. 252-5.)



Our testimony on behalf of the licensed, private (so-called "for-profit"), and religious childcare centers nationwide will have two parts: A) Some thoughts about issues contributing to quality in childcare, especially as they touch upon the small business nature of childcare centers; and B) Some recommendations about necessary and appropriate actions to be undertaken.

#### A) Issues Related To Quality of Services in Childcare Centers

First, it is important to bear in mind the commonly accepted profile of center-based childcare in the U.S. 55 percent of childcare centers are private-licensed (or for-profit); 30 percent are religiously affiliated; and 15 percent are secular, non-profit. All of these are licensed and regulated by the States, with the exception of 13 States which permit the constitutional exemption of religious centers.

While it is extremely difficult to fix the precise number of family day care centers<sup>1</sup> one thing appears to be certain—between 82-90 percent of these arrangements are unlicensed and unregulated, and thus not subject to monitoring and scrutiny by public authorities. This figure was affirmed in the study presented by the National Association For the Education of Young Children (NAEYC), and the U.S. Departments of Health and Human Services, and Education, *The Demand and Supply of Child Care* in 1990.

Thus, we have different categories of care—centers, group day care homes, family day care homes and in-home care by relatives or neighbors; and different types—for profit (licensed-private), non-profit (tax-exempt), and religious.

A major problem repeatedly and regrettably occurs when the headline writers of newspapers and other media, tend to lump all of these together under one caption—day care, such as a recent, rather inflammatory article from the Associated Press: "Day Care in America Often Unsafe and Unsanitary?" It is only when one reads the content of the article that some clarity is attained, and the reader may learn that only certain categories or types of childcare are being considered.

The term QUALITY in childcare also is used in a variety of ways. It appears that from the point of this hearing the term primarily is being used with reference to safety and health in childcare arrangements. Another, and perhaps more appropriate use of the term, encompasses the constellation of factors that contribute to positive developmental outcomes in children. From this perspective, empirical studies have clearly demonstrated that there is a direct and high correlation between the preparedness or training of the caregiver, and his/her ability to assess where each child is on their own developmental path, and to design appropriate learning experiences for the child. Thus, teacher training and credentials and program accreditation occupy principal positions among quality improvement activities.

Focusing now on the prior use of the term with reference to child safety and health, it is a clear and indisputable fact that childcare centers are overregulated, not underregulated, and when coupled with taxes they must pay on several levels and other unsubsidized business expenses such as mortgage payments or rent—and here I specifically have for-profit centers in mind—this often impedes their ability economically to survive as small businesses.

Consider if you will the situation of for-profit centers in two States, Florida and Alabama, as representative of this type of childcare service. In Florida, State law requires that centers be visited 4 times each year. Coupled with this are regular visitations by the county and local fire and health departments. Please realize also that the national profile of an average for-profit center is one with a licensed capacity of approximately 65-70 children with a staff of 15 teachers and teacher aides.

In Alabama, also there are multiple annual inspections and visitations. In addition to annual State monitoring, there are visits by the local fire marshall, at least once annually and whenever special events take place; visits at least every other month by the health department; visits by the local Central Management Agency; and, if they participate in the Child Care Food Program, several reviews annually. That adds up to at least 10 visits/reviews annually, and if these are announced visits, there is the preparatory time to assemble documentation.

Should for-profit center owners want to obtain a loan to upgrade facilities and expand their programs, they are confronted with the fact that many banks view centers as so personnel-intensive, that they require downpayments of between 40-60 percent. In many areas, modest loans for upgrading facilities under the new ChildCare and Development Block Grant are available only to non-profit centers.

One of the obvious and principal ways to improve the quality of care is to educate the parent-consumer—what to look for; what questions to ask; and also to empower them to exercise choice across a wide range of options through the use of vouchers under the Block Grant. Regrettably, early evidence concerning the extent of the parent childcare voucher program under the Block Grant is that parents are not being informed about their right to a voucher with the result that this mode of payment which the regulations recommend as the preferred and predominant one is falling

by the wayside to the old way of doing business through contracts. Under the contract mode, eligible parents are assigned to preapproved, usually non-profit, centers, and thus, lose the opportunity to make informed judgments about the category and type of care they prefer.

To be more specific, a review of the childcare voucher program conducted in the first half of calendar 1993 in California revealed that, at most, 1,000 vouchers had been issued, when there was sufficient funding for 21,000 families. In the States of Florida, Illinois and Virginia, similar studies have revealed that parent vouchers had been redeemed for services at only 10 religious centers cumulatively. This is more than a statistical aberration. It is, I submit, a scathing indictment that the program is not being implemented as intended by law and Federal regulation, with the concomitant effect of loss of another vital tool to promote program quality.

Yet, even though center-based care tends to be overregulated at many levels, as we have seen, there still is a problem with the effective use and training of monitors and inspectors.

What can one say, however, about family day care which is regrettably underregulated? This should not be viewed as a defensive-motivated indictment—rather a challenge to assist this large and unregulated segment of the child service system. You have heard today the tragic story about a parent in New York City who was forced by economic constraints (i.e., it was the only care he could afford) to have his children in an unlicensed and unsafe family day care home where a fire resulted in the lives of his child and several others. Would the imposition of further national standards on licensed child care centers, thereby raising their cost of operation, made an already safe and regulated center a feasible alternative choice for him?

One promising response now underway in Mobile, AL is a voucher provider orientation program for non-center caregivers, including relatives. During a two-hour orientation session, these providers are given valuable information about a wide variety of safety and health matters, and guidance about how to assist parents in their primary tasks.

The CHILD CARE AND DEVELOPMENT BLOCK GRANT (CCDBG) required a review of State childcare regulations (Cf. Sec. 98.41 (d)), and stated that "each Grantee must provide assurances that there are in effect within the State—requirements designed to protect the health and safety of children that are applicable to child care providers of services." (Cf. Sec. 98.41 (a)) Three specific areas were identified for particular scrutiny: 1) prevention and control of infectious diseases; 2) building and physical premises safety; and 3) minimum health and safety training appropriate to the provider setting. (Cf. *Ibid.*, (1)(2)(3))

Note, however, that the Final Rule does not require assurances that these health and safety requirements actually are being met or achieved; only that they are "in effect" or on the books. CCA had urged strenuously that the Final Rule include such assurances of actual implementation of the health and safety requirements, and still does so. (See Testimony Before Subcommittee on Human Resources of House Committee on Ways and Means, September 26, 1991, Serial 102-64, pp. 297-8)

Among the regulatory activities to promote health and safety as part of the quality spectrum, one finds currently the screening of potential providers, on-site monitoring, and sanctions. However, there is a widespread discrepancy between the frequency of center visits (ranging from a high of 5 annually in LA, and 4 in FL, NV and OK to a low of 1 every 3 years in NH and NJ), and those to family day care homes (e.g., no visitation requirements in GA, LA, MS, OR, SC, and WI, or very small samples annually—1 percent in MI; 3 percent in DE; 5 percent in PA, and 20 percent in IA, MT, NY, TX, VT). here again we see a gaping difference between inspection/monitoring procedures in childcare centers and family day care homes.

Other important and desirable non-regulatory methods are:

- consumer/parent education;
- provider training;
- complaint review and action; and
- liability insurance.

CCA strongly endorses these methods as part of public accountability, and desirable small business operation, with particular emphasis on the first two as producing the most direct impacts.

Under the CCDBG, 13.75 percent of the total funding is available for quality related activities. Based upon this fiscal year's appropriation, this amounts to \$123 Million. CCA concurs with the observation of the Principal Deputy Inspector General of HHS in his letter dated October 13, 1992 that "we do not believe that the final regulation excessively restricts grantee spending on quality improvements." Rather than reduce or readjust the percentages available under the CCDBG for childcare services, CCA strongly urges that the overall annual appropriation be increased to at least the authorized level



CCA also heartily endorses another related approach to the pursuit of quality in childcare centers—that mechanisms and procedures be established and funded whereby a more timely and efficient sharing take place concerning particular successful State experiences with regulatory and non-regulatory procedures and approaches so that States might learn from one another.

#### D. RECOMMENDATIONS

In the light of the above clarifications and observations, CCA would like to offer the following recommendations to the Subcommittee:

1. Establish under all Federally funded child care programs that a certain percentage of the funding, similar to the CCDBG, be used for quality-promoting activities, especially in the two critical areas of parent/consumer education and awareness, and greater parent empowerment through the use of vouchers or parent certificates.

2. In cooperation with the States, devise a better and more consistent way of overseeing Family Day Care arrangements (82-90 percent of which currently are unregulated and unmonitored under State law), and bring consistency into center-based regulation by requiring the same oversight of Pre-K and extended-day or School Age Child Care (SACC) programs in the Public School systems. In addition, treat other extended-day care arrangements conducted in public facilities by non-profit organizations such as the YMCA (where in many instances teenagers are permitted to supervise younger children), and Summer programs conducted by local Parks and Recreation Authorities with the same care and protection, monitoring and oversight as full-day, center-based care.

3. Actively advocate for full-funding for the CCDBG under which 13.75 percent of the funds can be used for quality-related activities, but do not restrict or decrease the funds made available for childcare services, especially through parent choice vouchers or certificates. Remember also that it is only through vouchers that 30 percent of the center-based delivery system, the religiously affiliated centers, can constitutionally provide subsidy services for needy, low-income parents.

4. Urge the States to permit more expenditures for two activities in particular that have the most direct impact upon the quality of safe, healthy care, and which empirical studies have shown best promote positive developmental outcomes for children—center professional accreditation, and teacher training and professional credentialing. At the same time avoid favoring only one traditional system for each of these activities; rather, encourage the recognition, development and utilization of alternative responsible programs, such as those recently developed by the National Accreditation Council for Early Childhood Professional Personnel and Programs under the sponsorship of Child Care America.

5. Trust that if adequate attention and funding is given to focused and widespread parent and consumer awareness programs, to the effective sharing among the States of exemplary programs in this regard, and if parents are given amplified opportunities to exercise informed choice through vouchers or Parent certificates among a wide-range of options, that significant progress can be expected in weeding out poor or dangerous childcare programs, remedying other marginal ones, and encouraging all providers to review and improve their programs constantly in order to compete for the service subsidy dollars.

6. Finally, search for and encourage a more coordinated and moderate State and local oversight process for licensed, private and religious centers, lest they continue to be overregulated, thus impacting their ability to survive economically as small-business-like enterprises, and also forcing them unnecessarily to divert precious time from caring services for the children of needy and low-income parents.

Thank you for the opportunity to share this testimony with you. I will be delighted to respond to any questions you may have, and you have our assurance that as the representative of the private and religious childcare centers throughout the nation, we look forward to working with you in pursuit of appropriate legislative and regulatory solutions to the problems you have identified.

#### PREPARED STATEMENT OF PATRICIA SIEGEL

Good morning Senator Dodd and members of the Subcommittee. I am Patty Siegel, Executive Director of the California Child Care Resource and Referral Network in San Francisco, CA. I am here today proudly representing the National Association of Child Care Resource and Referral Agencies (NACCRRA). Many of our 500 member agencies are here for today's hearing on the Child Care and Development Block Grant, and I would like them to stand up and join me in thanking you for your bold and continuing leadership on behalf of America's families and children.



We appreciate your tough and relentless energy in making the Child Care and Development Block Grant a reality which has helped build a quality child care system in this country.

We have been active participants in efforts over the past six to twenty years to shape and achieve solid federal support for the quality child care services families in our communities depend on. The passage of the Child Care and Development Block Grant was a major milestone in those efforts. Each of us has been intimately involved in the implementation in our own communities and states. It is that active perspective of how the Block Grant has improved and expanded child care that we are here to share with you today.

This hearing, focused on what's working well in one corner of federal child care policy, is especially timely. Like all of you, we are anxiously awaiting the details of the Administration's Welfare Reform proposal. We are deeply concerned that as it takes shape great care and attention is given to the welfare of children whose lives will be dramatically impacted by new policies. In the words of one Congresswoman Lynn Woolsey from California, a former AFDC recipient, we need to "reinvent welfare humanely." Every parent counselor, center director and advocate here today understands that Welfare Reform will place a great increased demand for child care on a system that barely insures adequate and affordable quality care now. The Block Grant has taught us important lessons about the resources and strategies necessary to deliver quality services. My colleague Helen Blank from the Children's Defense Fund has provided you with an excellent overview of those lessons and accomplishments. As you review Welfare Reform proposals, we ask you to be mindful and attentive to those lessons and as members of the only Senate committee with children named in its title to be aggressive protectors of their interests. And we have great confidence that you will.

In addition to these urgent concerns surrounding Welfare Reform, we are recently reminded by a report from the Department of Health and Human Services inspector general's office that all is not well in the fragile child care delivery system that still exists in many states. Following testimony in the House Small Business subcommittee on regulation two weeks ago newspapers all over the country carried headlines such as this one from the San Francisco Examiner: "Study: Day Care centers unsafe". The conditions and abuses described in this report are of grave concern to all of gathered here today. The good news from this hearing is that we know what it takes to provide quality child care services. The Child Care and Development Block Grant provides necessary funding for such services, and that is the focus of this hearing today. Again, the Child Care and Development Block Grant provides us with the lessons and the foundation to move forward in our continued efforts to improve the quality, access, and affordability of child care services.

In preparing for today's hearing I could not resist the temptation to unearth and dust off testimony I presented before this Subcommittee on February 6, 1979 when California's now retired Senator Alan Cranston served as chair. In the 15 years that have passed since that hearing on the federal role in child care I was struck with the gradual but genuine progress we have made, especially in the area that was then, and continues to be my personal and professional passion: helping parents find, access and understand the child care resources in their communities. As a much younger parent in 1972 I, along with a handful of parents in other communities throughout the country, organized a set of services aimed at helping families find the best, most appropriate care for their children.

Each of you knows what a formidable task finding quality child care can be. In case you need a refresher course on the child care challenge, I suggest you talk to your children, nieces, nephews, staff, or the next cab driver or hotel maid you encounter. Everyone of them as a child care story to tell, and it's their stories, their needs that have inspired the evolution of child care resource and referral services over the past twenty years. When I came before your committee in 1979 I was part of a growing network of 34 state funded child care resource and referral programs in California and an emerging national network of about 30 other CCR&R's in states like New York, Minnesota, Massachusetts, and Illinois. We were the newest, youngest kids on the child care block and faced the ever present challenge of making the case for a service which is perceived as "indirect". There was no source of federal support or our services, and California stood alone in its commitment to providing state funds for CCR&R services.

Today, thanks in large part to funding made available in the Quality provisions of the Block Grant, there are more than 500 child care resource and referral agencies serving communities throughout the country and 34 statewide networks like the one I represent in California. (I have included tables which show the number of child care resource and referral agencies in each state and states with a child care resource and referral networks or associations as of 1994) This growth represents

a ten fold increase in our ability to help America's families access quality child care services.

The dramatic and specific impact of the Block Grant funding on CCR&R services was documented by NACCRRA in a survey of its members shortly after implementation of the Block Grant funds. Forty-six states responded to our survey reporting \$19,452,214 of Child Care and Development Block Grant funds allocated for child care resource and referral services. This represents 2.59 percent of the total \$750 million authorized in 1991. The survey found that only 16 states were currently allocating state funds for CCR&R activities. State dollars allocated in FY 92-93 totaled \$16,721,233 nation-wide. The Block Grant has truly made a difference for Child Care Resource and Referral programs.

Child Care Resource and Referral agencies perform key functions necessary for America's diverse child care delivery system to operate effectively for consumers, providers, and funders in the public and private sectors. This core of services includes:

- Documenting the supply of local child care
- Assisting families in their search for child care
- Working to build, improve, and maintain the supply of local child care
- Educating the community about local child care needs and issues.

Many CCR&Rs also manage certificate/voucher programs and the USDA Child Care Food Program. (A more detailed list of these core functions is included.)

Implementation of the Child Care and Development Block Grant stimulated significant expansion of CCR&R services and simultaneously increased the need for CCR&R's in providing the links necessary to make the nation's new commitment to parental choice something more than a slogan. As you all know, the Block Grant places great emphasis on parental choice and certificates as an administrative mode for getting the new subsidy dollars distributed to eligible parents. These new systems can only work if families have access to good, up-to-date, comprehensive information about available child care resources and good consumer information about what to look for and how to choose the child care most appropriate to their family needs.

Making these connections for families is our daily work. Our role is to listen and respond according to each family's articulated, individual needs and preferences and help them anticipate their short and long term child care needs. As you can imagine, this is often a formidable task. The counselors and staff who join me here today are skilled listeners, and depositories of information about all available child care and family supporting services in their communities. On the phone, or on a drop in basis they hear and see and document the critical importance of child care in the daily lives of the families who come to them with all sorts of needs for all sorts of children. Many of these families are one step away from family disintegration and total poverty. Often, they are unaware of the assistance available to them via the Block Grant or other federal child care programs. Our job is to share information and advice in a manner which supports each family's unique needs and is sensitive to their cultural and linguistic needs.

We help families navigate an increasingly complex, and frequently turbulent child care delivery system. What I'd like to do now is take you inside a few CCR&R agencies around the country and let you hear first-hand the needs we are all addressing through the Child Care and Development Block Grant. These types of family needs are not unusual outliers in our daily work. They represent a few hours in the daily routines of any R&R across the country. (Six case studies appended.)

Each of these family portraits reveals a facet of child care in our communities and suggests the critical importance of building on and expanding funds available in the Child Care and Development Block Grant. The foster parents in Topeka, KS were dependent on the availability of the very hardest to find child care-infant care-to assume responsibility for a newborn baby. The grandmother in Oakland needed quality child care for a very special needs child in order to continue her job as a health worker and provide the special attention and support her grandchild needed. (The Block Grant mandate to target 10 of funding for Special Needs is very helpful and should be maintained.) In a time when each of us is troubled and concerned about mounting violence in the lives of children the concerns of the New Mexico mother for good after school care and supervision for her eight year old son are a reminder of the importance of the before and after school services identified in the 1985 percent of the Block Grant Quality set aside. The single father in Pittsburgh dramatizes the critical connection between child care and continued employment for single parent families and the need to expand the availability of child care services for families who do not work the nine to five mode. The Albuquerque mother reminds us that the best informal child care arrangements made with families and friends can fall through and that families need information about all available child



care options. And finally, the Connecticut grandmother underlines the important role CCR&R agencies play in not only connecting families to child care services but also in helping them access other benefits and supports necessary for their family to function.

I hope these few cases will help remind you of how important the Child Care and Development Block Grant has been in our communities. I've chosen to focus on the assistance we provide to families in my remarks today because that is the core of everything we do in child care resource and referral services, but please remember that in order to help families find quality, affordable care we are actively involved in helping to build and expand the supply of quality child care in our communities. This involves not only new recruitment and training efforts, but also support for existing providers whose low wages and poor working conditions continue to challenge all of us. We need to triple our efforts in addressing this issue and are fortunate for the guidance and voice of the National Center for the Early Childhood Workforce.

So we are at all times working with parents, supporting providers and making sure we document the needs, the trends, the gaps, and local community issues which you our elected officials need to understand in order to formulate the best child care policies.

Thank you for your time and attention today. We look forward to assisting each of you as you prepare for reauthorization of the Block Grant and as you review and scrutinize the child care provisions in Welfare Reform. The Administration's proposal for \$198 million increase in the Block Grant is very welcome and each of us is prepared to work hard to win congressional support for that increase.

In closing, I ask that whenever you think of child care services under whatever federal funding stream you remember that families do not just automatically find those services. We, child care resource and referral programs, are a critical first step in the child care process. With your help we have seen remarkable growth in the past five years, but in many parts of our country child care resource and referral services still do not exist, or exist and survive on very minimal funding levels. Please help us insure that the Block Grant and all existing federal funding streams, including the Dependent Care Block Grant which has been consolidated in the President's budget, include identified, protected funds for the core functions I have described for you today.

If I return to your committee in fifteen years I hope every community in this country has good child care resource and referral services.

#### CCR&R PROFILES

##### 1. Topeka, KS

CCR&Rs have a very special ability to respond to practically any situation. The Davidson family, who came to ERC one afternoon not long ago, is one example of the "miracles" we sometimes are asked to perform. They arrived at 4:00 pm., absolutely frantic, requesting child care for a newborn by the next morning. Not only did they need infant care, but for a NEWBORN. They were accepting a foster child and had just gotten notice that they were needed immediately. To add insult to injury, the parents worked the second shift and sometimes on weekends.

Once Again, ERC's referral counselor faced a super challenge in helping this family locate child care. Knowing that no one list from the data bank would do it, several lists featuring different possibilities were printed. The rest of the routine was similar to other cases, and believe it or not, this family secured a provider for their newborn that very evening. They were able to continue working at their places of employment without a hitch, accept additional responsibilities at home with a new baby and function with a minimum of upheaval because there was a CCR&R in place for them.

##### 2. Oakland, CA

CCR&Rs often offer much more than referrals. Minnie is a home health care worker who has assumed care for her drug-exposed grandchild. Faced with extraordinary demands on her physical, emotional and financial resources, she was struggling to avoid having to turn the child over to the foster care system. BANANAS was able to help her find child care, pay for the care through the Special Needs Program, and refer her to a support program specifically for grandparents as "second parents."

##### 3. Rio Rancho, NM

Marguerite, a woman from Rio Rancho called Carino looking for home care for her eight year old son after school. She was extremely distraught because he was getting into trouble with some friends lately, and she realized that he needed to have



supervision from the time school let out until she got home from work. A search found her some centers and providers in the area of his school.

#### 4. Pittsburgh, PA

Derek Davis originally contacted Child Care Partnerships on September 24, 1993. He needed immediate funding for child care assistance, and he had heard about the Subsidized Child Day Care Program from a child care provider that he had visited.

Derek had recently become a single parent when his wife deserted the family. He is currently a welfare recipient working a minimum wage job and there was no way he could afford the cost of child care for his school age child, infant and preschooler. In addition he worked rotating shifts and the provider he was considering did not accommodate evening or weekend shifts.

He received immediate phone counseling to assist him in targeting appropriate child care providers who would accept subsidy and care for the children during the shifts he worked. He scheduled an appointment and was seen on September 27. All 3 children were enrolled into a registered family day care provider on the 28th, his fee for service is \$5 per week.

#### 5. Albuquerque, NM

A single parent, a student with 3 children under the age of 4, called and said her sister had been taking care of her children at no charge but was now moving out of state. Child care was needed immediately and to further complicate the situation, the parent had to depend on public transportation. She had no idea as to how much she could afford for care. The referral specialist did a sliding scale search, close to public transportation and provided her with a list of possible centers. In addition to her regular parent packet, she was sent a brochure on subsidized child care programs in New Mexico with telephone numbers to call and the referral specialist suggested she review her new status with her case worker because she receives financial status from the state.

#### 6. Windsor, CT

Evelyn had been awarded temporary custody of her 16 month old grandson. She works for a nursing home in Windsor. Looking for care from 7 am. to 3 pm. for 7 days a week, Evelyn called Infoline. Evelyn had not been receiving AFCD, WIC, medicaid or food stamps for child. She talked to a DSS worker and had been told that an application cannot be processed until it could be proven when her grandson was placed with her. Evelyn said that checks were still being sent to the mother, who no longer has the child.

In this case, not only did the CCR&R provide referral services, but the agency was able to assist Evelyn with the bureaucratic process and get her the support that she needed. The counselor questioned Evelyn regarding support programs, and intervened on her behalf with the DSS. The counselor spoke to a social worker for Evelyn, and got permission to fax the information to DSS regarding the date that her grandson was placed with her.

## Community Based Child Care Resource & Referral Agencies

### *Document the supply of local child care*

- gather and collect detailed information
- build and maintain a database/resource file

### *Assist families in their search for child care*

- help families understand and evaluate available child care options
- provide referrals
- respond to special concerns, special needs

### *Work to build, improve, and maintain the supply of local child care*

- conduct educational workshops and training series for child care providers to enhance the quality of services
- offer technical assistance on a broad range of topics to new and existing providers
- recruit, train, and retain new providers

### *Educate the community about local child care needs and issues*

- collect, analyze, and share information on the availability, affordability, and quality of local child care
- identify gaps in available child care service
- plan and develop new child care options

### *Many CCR&Rs also manage*

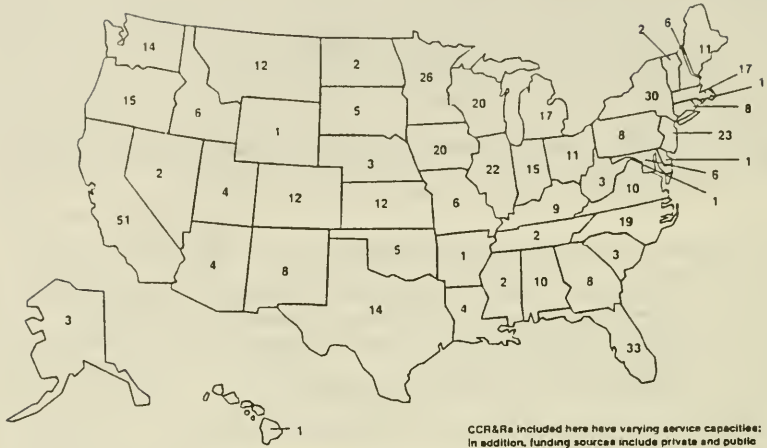
- voucher certificate program
- USDA Child Care Food Program

### Current Statistics

Parents Assisted (1991)	150,000	Prepare Supply/Demand Reports	77%
Providers Trained (1991)	15,000	Public Education/Policy Issues	88%
Cumulative Total of Providers on CCR&R Database Files	165,203	Provide Enhanced CCR&R thru National Brokers	47%
		Operate Voucher/Certificate Program	35%
		Administer Child Care Food Program	49%

Source: Survey of CCR&R, 1991; NACCRRA Spring 1992 (total respondents = 3531)

### Child Care Resource & Referral Agencies in the United States, 1994



CCR&Rs included here have varying service capacities; in addition, funding sources include private and public agencies, foundations, and employers. Total: 529

Source: NACCRR Database of CCR&Rs, 1994 and Survey conducted by *Child Care Aware*, Fall 1993

### States with Child Care Resource & Referral Networks or Associations, 1994

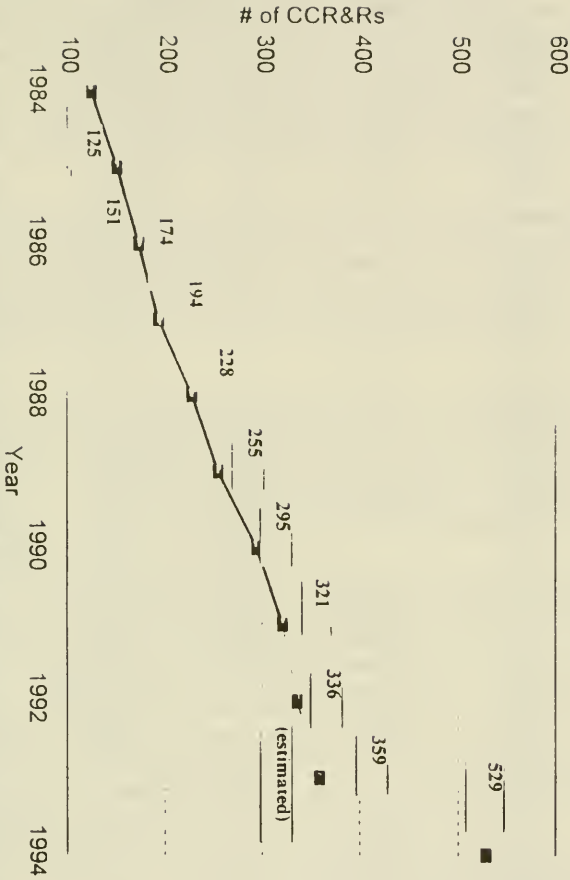


Networks and associations vary in eqe, scope, staffing, and mission. Additional information is available.

Source: National Association of Child Care Resource & Referral Agencies, 1994



# Total Number of CCR&Rs, 1984-1994 (by year parent referrals began)



Source: "Survey of CCR&Rs, 1991," National Association of Child Care Resource & Referral Agencies, May 1992; figures for 1993-1994 reflect all known community-based programs.

**STATE AND CCDBG SUPPORT FOR CCR&R**  
(Results of NACCRR Survey...continued)

STATE	TOTAL CCDBG \$	CCDBG \$ To CCR&R	% of CCDBG	State \$ To CCR&R	Total Support For CCR&R
Alabama	\$16,900,000	\$200,000	1%	\$ - 0 -	\$ 200,000
Alaska	1,281,164	NA		NA	-
Arizona	11,900,000	100,000	4.2%	18,400	518,400
Arkansas	9,400,000		0	NA	-
California	75,414,978	1,140,000	1%	9,422,000	11,762,000
Colorado	8,200,000	400,000	4.8%	0	400,000
Connecticut	5,100,000	250,000	5%	400,000	650,000
Delaware	1,392,934		0	69,000	69,000
Florida	33,097,075	1,787,547	8.4%	300,000	3,087,547
Georgia	22,026,000	410,000	2%	0	510,000
Idaho	1,571,164		0	0	0
Illinois	27,842,500	1,374,700	10%	964,900	3,859,600
Indiana	13,621,480	140,000	1%	0	400,000
Iowa	7,276,092	114,085	5.8%	212,536	646,621
Kansas	6,500,000	100,000	2%	0	250,000
Kentucky	13,500,000	152,200	2%	0	326,200
Louisiana	22,100,000	40,000	1.6%	0	360,000
Maine	2,979,572	19,951	1%	166,000	305,921
Maryland	8,900,000	156,200	2%	1,198,411	1,574,061
Mass	9,592,393	109,620	5%	0	479,620
Michigan	21,400,000		0	750,000	750,000
Minnesota	10,130,000	475,000	4.7%	588,000	1,063,000
Mississippi	14,700,000	NA	0	NA	-
Missouri	10,382,565	100,000	1%	0	100,000
Montana	2,487,762	161,000	14.5%	60,000	421,000
Nevada	2,158,598	0	0	0	0
N Hampshire	1,800,000		0	NA	-
New Jersey	12,922,846		0	NA	-
New York	41,333,694	1,190,000	5%	1,813,000	4,003,000
N Carolina	20,757,611	498,767	1%	0	698,767
N Dakota	1,140,250	40,000	4%	NA	40,000
Ohio	28,000,000	250,000	1%	0	250,000
Oklahoma	11,389,695	145,000	1%	0	345,000
Oregon	6,890,750	410,850	7.4%	437,500	948,350
R Island	1,990,000	NA		35,000	35,000
S Carolina	13,253,686	195,000	1.4%	0	195,000
S Dakota	2,766,249		0	0	0
Tennessee	15,999,230	NA		66,486	66,486
Texas	64,000,000	NA		0	-
Utah	7,000,000	202,530	4%	0	202,530
Vermont	1,248,270	10,000	5.8%	0	72,000
Virginia	12,795,500	70,000	1%	0	100,000
Washington	10,800,000	450,000	6%	0	650,000
W Virginia	4,900,000	NA		NA	-
Wisconsin	11,680,558	114,144	1%	0	834,344
Wyoming	1,400,000	NA		0	-
TOTALS		<u>\$19,452,771</u>		<u>\$16,721,233</u>	<u>\$36,173,447</u>

\* Please note that in some states, the CCDBG state allocation were unclear at the time of this survey.

NA: Information not available at time of survey/respondent did not know.

## PREPARED STATEMENT OF THE AMERICAN ACADEMY OF PEDIATRICS

The American Academy of Pediatrics (AAP) is an organization of 47,000 pediatricians dedicated to the health, safety and well-being of infants, children, adolescents and young adults. We would like to commend Senator Dodd and the other members of the Subcommittee for holding this oversight hearing on child care, and we appreciate the opportunity to submit this statement for the record.

*Background.* As all pediatricians and parents know, infants and children need a safe, secure environment, with competent, concerned caregivers. The Norman Rockwell view of the American family—where child care is provided in the home by a full-time homemaking mother, supported by a full-time working father—has never been typical, and today represents less than ten percent of families in this country. More than 50 percent of mothers with children under one year of age are in the out-of-home workforce. Greater than 60 percent of mothers with children under three are similarly employed. This applies to both single-parent and two-parent households.

Children in working parent families need alternative care. But placing children in out-of-home care should not present undue health or safety risks. Horror stories of unsupervised children falling down wells or dying in fires occur far too frequently. Inadequate licensing procedures and haphazard enforcement allow too many unhealthful and even life-threatening child care facilities to operate.

The United States is one of the only industrialized countries in the world that does not uniformly regulate and promote quality child care. Poor quality care provided by inadequately trained, overworked, and under paid caregivers is not acceptable.

*National Health and Safety Standards.* What are the basic health and safety considerations in out-of-home child care programs? First, a child must be safe and protected from hazards and potential injuries. These include both unintentional injuries (e.g., falls from swings and slides) and intentional injuries (e.g., aggressive acts such as biting and hitting, including child abuse). A child must also be protected from potentially serious infectious diseases, such as measles, meningitis, hepatitis, and gastroenteritis. It may be impossible to prevent the spread of infections such as upper respiratory infections and colds, but the potential for serious infectious diseases should be reduced to a minimum.

In 1988, when the Congress was considering the Act for Better Child Care, the Academy testified that promulgating national standards, providing training for caregivers, and strengthening of licensing and enforcement would positively affect the entire child care system throughout this country. As we testified then, when all child care providers are trained to implement and to maintain health and safety standards, out-of-home care may well offer a number of potential health benefits. Examples of such benefits are improved immunization status, early detection of vision or hearing impairments and health education for children and their parents.

In 1988, there were no national standards or guidelines for child-staff ratio, group size, or child health or safety programs in out-of-home child care settings. We testified that the absence of such standards impedes the ability to guarantee a minimum level of quality for regulated child care and to protect and maintain the health, safety and development of children enrolled in out-of-home care.

*AAP/APHA National Performance Standards.* Since that time, a 400-page set of child care standards was developed jointly by the American Academy of Pediatrics and the American Public Health Association (APHA), with funding from the Maternal and Child Health Bureau of the United States Department of Health and Human Services. These standards, entitled "Caring for Our Children—National Health and Safety Performance Standards: Guidelines for Out-of-Home Child Care Programs," were published in 1992 and address the needs of infants, toddlers, preschoolers and school age children through age 12.

The standards were conceived through an interdisciplinary approach, and were reviewed by hundreds of child care providers, consumers and health professionals. They were tested in sites across the country and have been extensively disseminated to caregivers, regulators, and health professionals who are involved in the field of out-of-home child care. (We have attached a copy of the introduction to the Guidelines, which explains in more detail the process through which they were developed.)

The AAP/APHA standards address, among other topics, staffing, nutrition and food services, infectious diseases, and administration and facilities, and include recommendations for licensing and community action. In addition, the standards emphasize the need for caregivers to recognize signs and symptoms of child abuse and to understand their responsibilities for reporting recognized or suspected abuse. The standards also deal with avoiding abuse in child care settings.



The AAP/APHA standards were intended to be used to plan and establish a quality program of child care—to serve as goals for practice and guidelines for implementation. The intended audience for these standards is the general child care system in the United States, including both privately and publicly funded facilities, such as child care centers, large and small family child-care homes, before-and-after-school programs, public schools, Head Start, and organized part-time programs. We hope that policymakers, too, will find these standards useful.

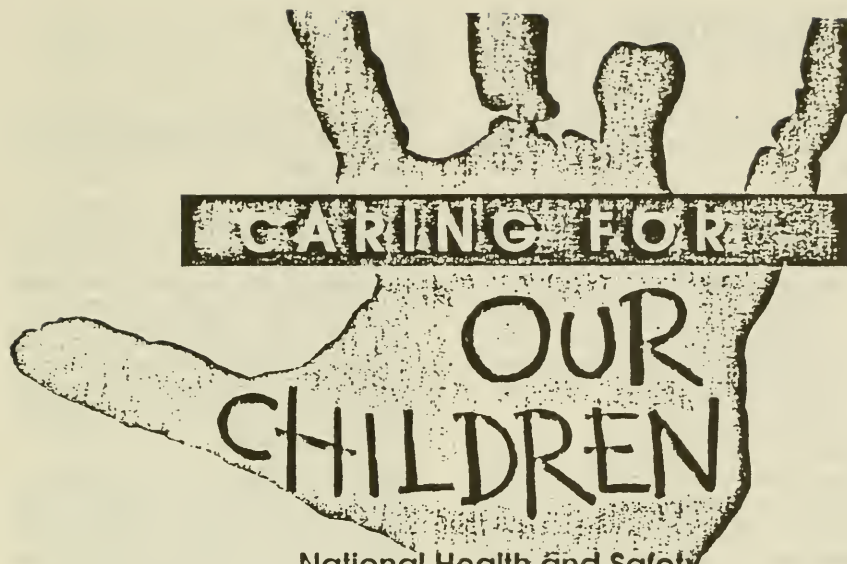
A copy of the Table of Contents of "Caring for Our Children" is also attached so that the Subcommittee can see the full range of issues addressed in this comprehensive publication. Of course, we will also make the full publication available to your staffs.

*Conclusion.* There is every indication that the increase in the numbers of children being cared for in out-of-home settings will continue. In the midst of frantic attempts to increase the supply of care to meet this rapidly growing demand, parents, health care providers, early childhood educators, and legislators must assume responsibility for ensuring that the care available is safe and promotes health and well-being.

The issues involved are multiple, but the bottom line is the need for greatly increased resources for child care, beginning with adequate pay and benefits for the providers and additional funds for training, technical assistance and regulation.

Pediatricians stand firmly behind measures to help safeguard the health and well-being of children in child care settings, and we offer you whatever assistance we might provide to ensure that such safeguards are achieved.

Attachments



National Health and Safety  
Performance Standards:  
Guidelines for Out-of-Home  
Child Care Programs

A Joint Collaborative Project of the

American Public Health Association  
1015 Fifteenth Street, N.W.  
Washington, DC 20005

and the

American Academy of Pediatrics  
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# INTRODUCTION

In an MCII panel discussion at the APHA meeting in 1943, Dr. Leona Baumgartner said it was important that

... Health standards [in child care centers] be maintained in the new centers and that these standards include a safe and clean environment [and] a medical and nutritional program that safeguards the health of the young child, and a staff of warm, friendly adults who will allow children to make the best of their innate possibilities and recognize the marked differences in the mental, physical and emotional make-up and needs in individual children and in children of various ages.

The principles enunciated by Dr. Baumgartner, a pediatrician and public health administrator, apply just as much today as they did almost 50 years ago. At present, no set of health standards that can be applied to child care programs on a national level exists. The set of standards contained in this monograph, which was jointly developed by the American Public Health Association and the American Academy of Pediatrics, addresses this important need. These standards have been conceived through an interdisciplinary approach and have been broadly developed, widely reviewed, and extensively disseminated to caregivers, regulators, and health professionals who are intimately involved in the field of out-of-home child care.

Before standards are defined or discussed, the terms *recommendation*, *guideline*, and *regulation* should be defined and discussed.

A *recommendation* is a statement of practice that potentially provides a health benefit to the population served. It is usually initiated by an organization or a group of individuals with expertise or broad experience in the subject matter. It may originate within the group or be solicited by individuals outside of the organization. A current recommendation is that the *Haemophilus influenzae* type b conjugate vaccine be administered to children 2 months to 5 years old who are in facilities. A recommendation is not binding on the practitioner; that is, there is no obligation to carry it out. A statement may be issued as a recommendation because it addresses a fairly new topic or

issue, because scientific supporting evidence may not yet exist, or because the practice may not yet enjoy widespread acceptance by the members of the organization.

A *guideline* is a statement of advice or instruction pertaining to practice. Like a recommendation, it originates in an organization with acknowledged professional standing. Although it may be unsolicited, a guideline is developed in response to a stated request or perceived need for such advice or instruction. Examples of guidelines are contained in the American Academy of Pediatrics' *Manual on Guidelines for Perinatal Care*, 2nd Edition, which provides comprehensive instructions on the health delivery practices to be followed around the time of pregnancy and birth.

A *regulation* takes a previous recommendation or guideline and makes it a requirement for compliance by an operating agency. A regulation originates in an agency with either governmental or official authority and has the power of law. Such authority is usually accompanied by an enforcement activity. Examples of regulations are state regulations pertaining to health and safety requirements for caregivers and children in a licensed child care center: immunizations required of preschool-age children, annual tuberculosis screening of caregivers, and so on. The components of the regulation, of course, will vary by topic addressed as well as by area of jurisdiction (e.g., municipality or state). Because a regulation prescribes a practice that every agency or program must comply with, it usually is the minimum or the floor below which no agency or program should operate.

A *standard* is a statement that defines a goal of practice. It differs from a recommendation or a guideline in that it carries a great incentive for universal compliance. It differs from a regulation in that compliance is not always required. It usually has a base of legitimacy or validity based on scientific or epidemiological data or, when this evidence is lacking, it represents the widely agreed upon, state-of-the-art, high-quality level of practice. Thus the agency, program, or health practitioner that does not meet the standard may incur disapproval or sanctions from within or outside the



organization. Two examples of standards may be cited: all children should be immunized against diphtheria, tetanus, pertussis, polio, measles, mumps, and rubella on entry into first grade, and all pregnant women should begin prenatal care as early as possible in the first trimester of pregnancy. Given this definition, standards are indeed the strongest criteria for practice set by a health organization or association.

The National Research Council's recent report, *Who Cares for America's Children? Child Care Policy for the 1990's*,<sup>1</sup> calls for "uniform national child care standards—based on current knowledge from child development research and best practice from the fields of public health, child care, and early childhood education—as a necessary... condition for achieving quality in out-of-home child care. Such standards should be established as a guide to be adopted by all states as a basis for improving the regulation and licensing of child care and preschool education programs... Based on existing knowledge, it is possible to specify reasonable ranges for standards to govern many important features of child care, including staff:child ratios, group size, caregiver qualifications, and the configuration of physical space."

What are the basic health and safety considerations in out-of-home child care programs? First, a child must be safe and protected from hazards and potential injuries. These include both unintentional injuries (e.g., falls from swings and slides) and intentional injuries (e.g., aggressive acts such as biting and hitting). A child must also be protected from potentially serious infectious diseases, such as measles, meningitis, hepatitis, and gastroenteritis. It must be acknowledged that it may be impossible to prevent the spread of infections such as upper respiratory infections and colds. Child care settings cannot be and should not be aseptic and germ-free environments, but the potential for serious infectious diseases should be reduced to a minimum. Caregivers can be active partners with the child's parents and health professionals in primary prevention, early detection, and prompt treatment of illness or disease.

Facilities must also provide a setting for nurturing and affection. They should not only protect a child, but should also promote the achievement of his or her fullest potential in both physical and psychological health.

The standards contained in this monograph were initially formulated by 10 technical panels composed of experts in each area: Environmental

Quality, Prevention and Control of Infectious Diseases, Injury Prevention and Control, General Health, Nutrition, Prevention and Management of Child Abuse, Staff Health, Children with Special Needs, Health Concerns Related to Social Environment and Child Development, and Health and Safety Organization and Administration. Over 130 individuals with professional backgrounds in medicine, nursing, social work, health education, nutrition, sanitation, psychology, early childhood education, law, and other related fields were involved in the development of the standards. This group was ethnically and geographically diverse. Under the guidance of an editorial committee, the standards have been arranged in an order that facilitates their use by providers and regulators of child care programs.

Two constituency-building activities were conducted with drafts of the standards in order to develop a consensus about what constitutes good practice in child care. In a national review of the standards, hundreds of individuals across the country who were representative of the intended users reviewed the standards' content. In a field assessment of the standards, caregivers and advocates, legislators, educators, health professionals, and health and regulatory agencies in five states and two cities reviewed the standards in terms of implementability, acceptability, and usability. The comments from both review activities, including comments critical of the draft standards, were considered and evaluated and the standards revised, as deemed appropriate by the technical panels based on their scientific and professional judgment. The use of the word *national* in the title reflects this gathering of input from large numbers of experts to reflect the field and this consensus of good practice. Because these are national guidelines, local variability cannot be addressed. However, some standards may need to be modified to be more appropriate for a given locality (e.g., urban/rural), climate, or geography.

It should be noted that two concurrent activities took place during the development of the standards. One was a survey of selected state/municipal licensing regulations for out-of-home child care facilities as they were in effect in the summer of 1988. The objective of that survey was to provide a national perspective on the content and level of current regulations as they pertain to standards in each area of health and safety

<sup>1</sup> *Who Cares for America's Children? Child Care Policy in the 1990's*. National Research Council Report. National Academy of Sciences, Washington, DC, 1990.

addressed by the APHA/AAP project. A wide range of coverage was found, with many states lacking basic standards in prevention of infectious disease and injuries, and other states having very detailed standards covering many aspects of child care. Many gaps were also found in the areas of children with special needs, staff health, and nutrition. These were areas of new knowledge and new concern, and had not yet been addressed by many states.

The other activity was a survey of model health and safety program practices in the 10 technical panel areas. These practices were identified by various individuals and agencies closely involved in the child care field, and the practices were described by the staff of the facilities identified. Although a number of innovative practices were described in areas such as injury prevention, prevention of infectious disease, staff health, and prevention of child abuse and neglect, there was relatively little mention of collaboration between facilities and health professionals and agencies.

The intended audience of these standards is the general child care system in the United States. The system includes both privately and publicly funded facilities, such as child care centers, large and small family-child-care homes, before- and after-school programs, public schools, Head Start, and organized part-time programs. Individuals who direct or work in facilities should be the ones most concerned with the intent and content of these standards. Individuals and agencies involved in licensing and regulation of facilities should also use these standards frequently. Health professionals involved as caregivers or consultants to facilities should find these standards pertinent and relevant to their activities. Lastly, developers, sponsors, policymakers, and advocates for facilities also will find these standards useful.

These standards should be used to plan and establish a quality program of child care. The project leadership intended these standards to serve as goals for practice and as guidelines for implementation. It is readily recognized that some standards are more easily implemented than others for cost or other considerations. In addition, implementation of certain of these standards may be prohibited in some jurisdictions by state or local laws. Thus the standards should not be used as rigid criteria to evaluate the quality of the programs or facilities. They were developed to represent neither the minimal acceptable level of performance nor a platonic ideal, but rather to occupy the area between minimal acceptable practice and

the ceiling beyond which additional effort and expertise would not yield commensurate improvements in health and safety. As new knowledge and innovative practices evolve, the standards themselves should be modified and updated.

Elsewhere in this monograph are listed the many contributors to the development of these standards. The project leadership owes each and every one of these individuals a profound debt of appreciation and gratitude.

The financial resources that are necessary to make child care a healthful experience may not be available or forthcoming in the near future. Nevertheless, we must continue our efforts to create in every child care setting a healthful, safe, and nurturing environment for our children, our most valuable natural resource and our future. We also must focus attention on the caregivers themselves, and must set standards that promote work environments that support them so that they may provide care that fosters child growth and development. We realize that the setting of these standards will require a greater financial commitment than our society has previously been willing to provide. It is not realistic to assume that this additional cost can or should be borne solely by parents. In other developed countries, considerable government funds pay for much of the cost of child care. In our pluralistic society, it is reasonable to expect not only government but voluntary agencies as well to invest more in our future. Employers are increasingly involved in providing or subsidizing this service for their employees' children.

We would be remiss if we failed to note that one of the major deterrents to improving health and safety in out-of-home child care settings is the rapid turnover of caregivers. This turnover is largely due to the extremely low levels of income earned doing this vital work. Funds must be found to improve the income and working conditions of caregivers so that the tremendous expense of constantly training new caregivers can be minimized, and so that our children will have the continuity of caregivers so vital to their emotional development as well as their physical health and safety.

Albert Chang, MD, MPH  
George Sterne, MD  
Co-Chairs, Central Steering  
Committee

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TESTIMONY TO THE UNITED STATES SENATE,  
LABOR AND HUMAN RESOURCES COMMITTEE  
SUBCOMMITTEE ON CHILDREN, FAMILY, DRUGS AND ALCOHOL  
February 21, 1994

by: Bobbie Weber, Chair  
Child Care Resource and Referral  
Department of Family Resources  
Linn-Benton Community College  
Albany, Oregon

Senator Dodd and members of the Committee:

Today, your Committee begins a critical discussion whose outcomes will impact the well-being of America's children for a long time to come. The continuation of the Child Care and Development Block Grant is critical to states' ability to build a child care system that will meet the needs of all of its children. The success of major national initiatives such as welfare reform and the "ready to learn" education goal are dependent upon this system.

I am writing today on behalf of Oregon's Network of 12 community-based child care resource and referral organizations. We bring the perspective of persons in daily touch with parents and child care providers. We have worked long years to help our communities develop child care that will enable parents to be good parents and productive employees. We work in partnerships with employers, community organizations and state agencies. We are in the second year of delivering "seamless child care" subsidies through a partnership with our Department of Human Resources. Many Oregon CCRAFs work closely with JOBS families to help them learn how to use the child care system; a skill that is essential to all efforts to become self-sufficient.

Implementation of the Child Care and Development Block Grant brought state efforts together, leveraged resources, and led to development of the child care system which would have been impossible without these funds. With the Block grant Oregon developed its seamless subsidy system, greatly expanded the number of families who are receiving subsidies, reached high risk populations such as teen parents and drug-addicted moms and began the development of the child care infrastructure necessary to all other efforts. Training of child care providers and a statewide system of child care resource and referral are foundational pieces.

One of the products of the child care resource and referral system has been the ability of the state to assess the adequacy of its child care system. In partnership with other private and public partners, the Oregon Child Care Resource and Referral Network has documented just where we are. In Oregon we can now answer the basic child care question:

How much child care is needed?

How much child care exists?

How good is the match between what exists and what is needed?

How much does child care cost?

With the help of the Early Education Quality Improvement Project (EQUIP) we will soon be able to answer the last question:

What is the quality of existing child care?

The Child Care and Development Block Grant has been essential to Oregon's efforts to build the infrastructure and to deliver services to increased numbers of families. In addition it has key to building the capacity to develop accurate and useful data. In turn that data is informing both public and private efforts so that limited resources are used effectively. Attached to this testimony is the Network's report on the status of child care in Oregon. As in the rest of the nation, the critical need for continued investment in children and their families is clear. We urge your full support for re-authorization of the Child Care and Development Block Grant.

Thank you.

## CHILD CARE IN OREGON

A Report of the Oregon Child Care Resource and Referral Network  
 (Based Upon Estimating Child Care Needs In Oregon, 1993  
 by Arthur C Emlen, Paul E Koren)

The child care crisis continues. Families struggle to find affordable child care that meets their standards. Providers leave the field because of inadequate compensation. Employers express a growing awareness of the negative business impacts related to the inability of the child care system to meet their employees' needs. Communities struggle with children's readiness for success in school and the role child care plays.

Child care is a market system driven by parental choice. No local, state or federal agency manages child care. The system varies greatly from community to community. The child care marketplace includes the homes of neighboring families, child care centers and a wide variety of recreational and educational activities. Most of this market care is invisible both to parents and to those who might support and improve the system.

Public and private initiatives to improve the system need to build upon information known about the current system. Accurate knowledge of how the current system operates is critical. Every two years, the Oregon Child Care Resource and Referral Network reports on the status of child care in Oregon. This report is based on the work of Arthur C. Emlen and Paul E. Koren, Estimating Child Care Needs In Oregon, 1993.

A picture of the child care system emerges from the answers to five basic questions:

How much child care is needed?

How much child care exists?

How good is the match between what exists and what is needed?

How much does child care cost?

What is the quality of existing child care?

## HOW MUCH CHILD CARE IS NEEDED?

Families' use of the child care system is related to the child's age and whether the mother works outside the home. Of the 558,000 Oregon children under 13 years of age, 356,500 (63.9%) have mothers or single fathers in the labor force. The younger the child the less likely the mother or single dad is to be employed; 56% of children 0-4 years and 69% of children 5-12 years have employed mothers or single dads.

Not all children with employed mothers are cared for in the market system, that is care by a non-relative that is given outside the child's own home. Families use a variety of arrangements to care for their children including parents themselves who work in their own home or work different shifts, relatives and close friends and children over age eight who often care for themselves before and after school.



Table 1. Need for Care - Oregon Children under Age 13

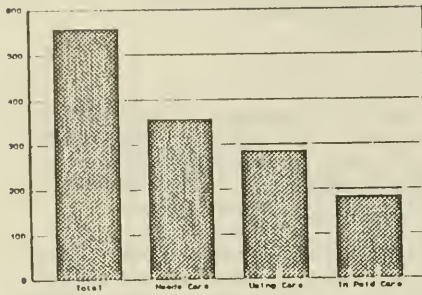


Table 2a. Percentage of Children Using Care

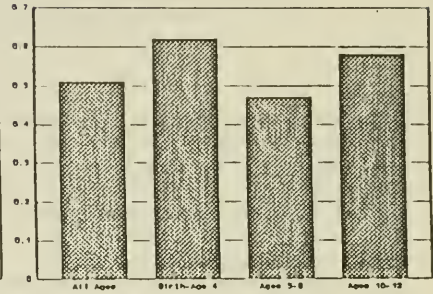
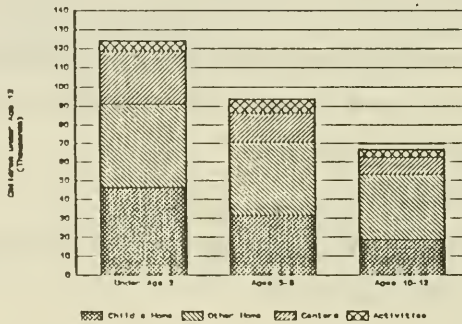
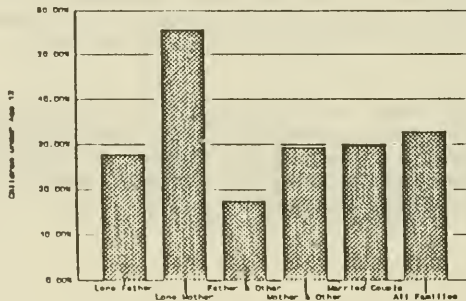


Table 2b. Supplemental Care by Age of Child and Type of Care Used.



Marital status of parents has a major impact on the need for care. Single parents living without another adult in the household almost always need to pay for care as shown in Table 3.

Table 3. Impact of Marital Status on the Need for Child Care.

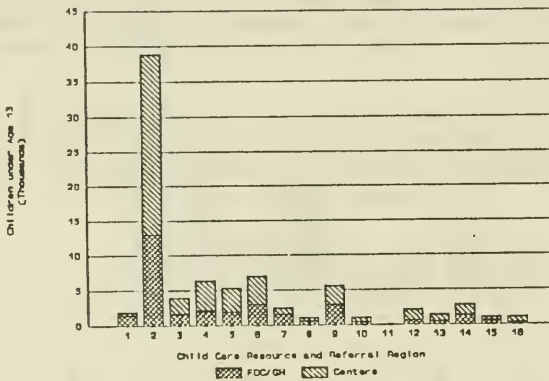


## HOW MUCH CHILD CARE EXISTS?

Until the creation of the system of regional child care resource and referral organizations in 1989, Oregon had no means for identifying a significant portion of child care providers, part-day centers and the majority of family child care providers. Since that time, these community-based organizations operating in most of the state have located and collected descriptive data on providers of childhood care and education. This data, coordinated with the data on regulated care collected by the Child Care Division, provides the following estimates of how much care currently exists in Oregon.

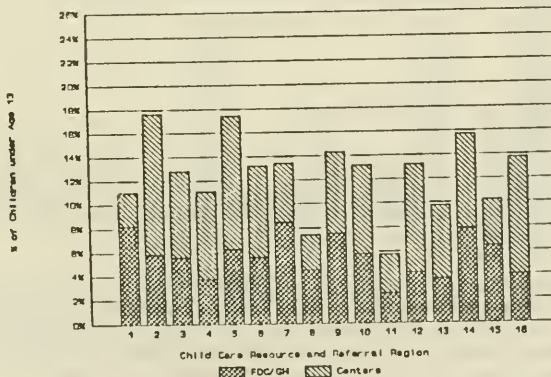
Oregon has adopted as a Benchmark that each county should have 25 visible child care slots for every hundred children. Said differently, Oregon should have visible child care slots for 25% of Oregon's children under age 13 which is 139,481 children.

Table 4. Number of Identified Care by Type of Care and County.



Some families will arrange for care outside of that which is known to the community at large. Friends and relatives who care for under three children in their own home are a good example of the kind of informal arrangements that work for many families. Hence 25 visible slots per 100 children meets the needs of most communities.

Table 5. Identified Child Care Slots. Percentage of Children under Age 13.



Oregon agencies have identified 82,098 child care slots; 32,478 in family child care homes and 49,620 in child care centers. This means that Oregon has identified 15 slots for every 100 children under age 13. The amount of visible care varies widely from as low as 6 slots per hundred children in a rural county to as high as 23 per hundred children in an upper-income county.

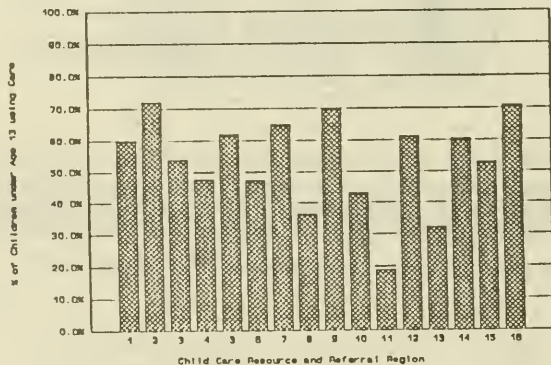
Young children need to be in small groups that have enough adults to meet their needs. Therefore, a large number of adults work in child care. We estimate 4,870 persons work in centers and another 18,382 work in family child care providing care in their own home. An additional 1,000 persons work in before and after school and recreational programs.

#### HOW GOOD IS THE MATCH BETWEEN WHAT EXISTS AND WHAT IS NEEDED?

In some Oregon communities, the number of visible child care slots pretty closely matches the demand whereas in other areas the amount of visible child care is dramatically below what is needed. Market forces such as the household income of community families, the cost of providing different kinds of care and the existence or non-existence of a child care resource and referral influence how much care exists in any given community.

In almost all communities, the demand for infant and school age care far exceeds what currently exists. Care for children ages three and four usually meets or exceeds demand. In rural counties and in low-income neighborhoods, little or no center care is available.

Table 6. Listed Supply versus Demand for Care



#### HOW MUCH DOES CHILD CARE COST?

The answer to this question has two parts. The first part of the answer describes how much is spent on child care in Oregon and the source of these funds. The second part describes how much Oregon parents pay for child care and what percentage of family income these payments represent.

Parents are the major funders of child care. We estimate that more than \$500 million per year is spent on child care in Oregon. Of this amount less than 13% is public funds. Both federal and state funds are targeted to low-income families and most often are part of a strategy to move families from welfare toward self-sufficiency. United Way Agencies, churches and employers also contribute funding to child care. Families who use child

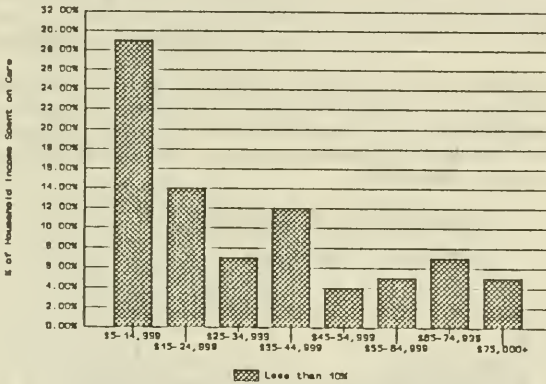


care provide the majority of dollars even though the price they pay does not represent the full cost of providing the care.

The average price of child care ranges from \$440 per month for an infant in an urban area to \$150 per month for school age care in a rural area. Child care consumes a major portion of a family's income.

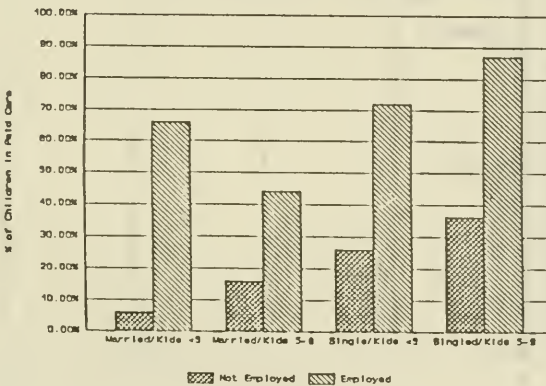
Affordable child care is an Oregon Benchmark. The Progress Board states as a goal that no more than 10% of a family income be spent on child care. Currently 31% of Oregon families pay more than 10% with families who earn under \$15,000 per year paying up to 29% of their income on child care.

Table 7. Percentage of Household Income Spent on Child Care.



Affordability is a major barrier for single mothers who need child care to avoid welfare.

Table 8. Paid Care by Employment Status, Marital Status and Age of Children.



Despite the high price paid by families, true costs of child care are not being met. Low wages and the absence of benefits are the most common strategies used by child care providers to keep prices at rates parents can afford to pay. The result of this strategy is an annual turnover rate of approximately 40% in both center and family child care. This constant turnover of caregivers has a significantly detrimental effect on the quality of child care.

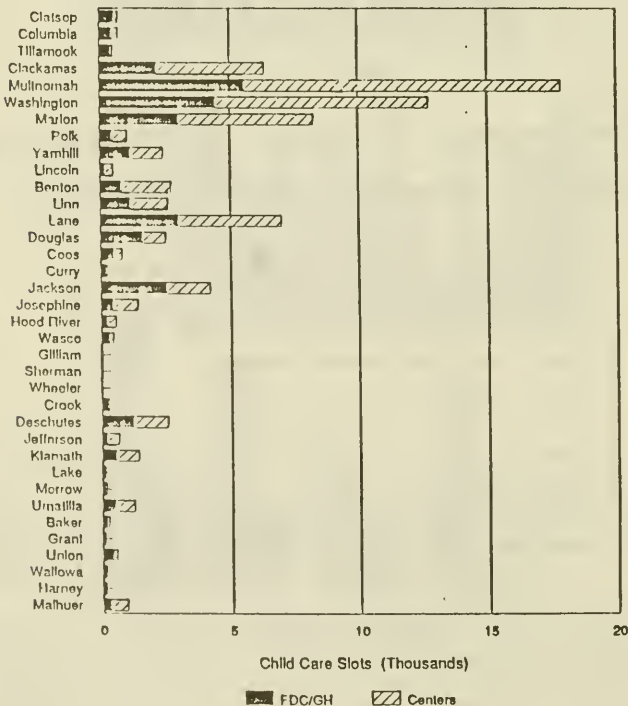
## WHAT IS THE QUALITY OF EXISTING CHILD?

Measuring quality presents major challenges. Foremost is the absence of a shared understanding of the meaning of quality in child care. Researchers have identified a number of factors whose presence predicts positive outcomes for children such as training of the caregiver, group size and number of children per adult. Interviews with parents show that some of these factors are also highly valued by parents while others are not. A number of tasks have to be accomplished before we can assess the quality of existing child care. These include: development of a common language which describes the characteristics of quality, determination of cost-effective ways to measure those characteristics and education of parents and other child care funders about quality.

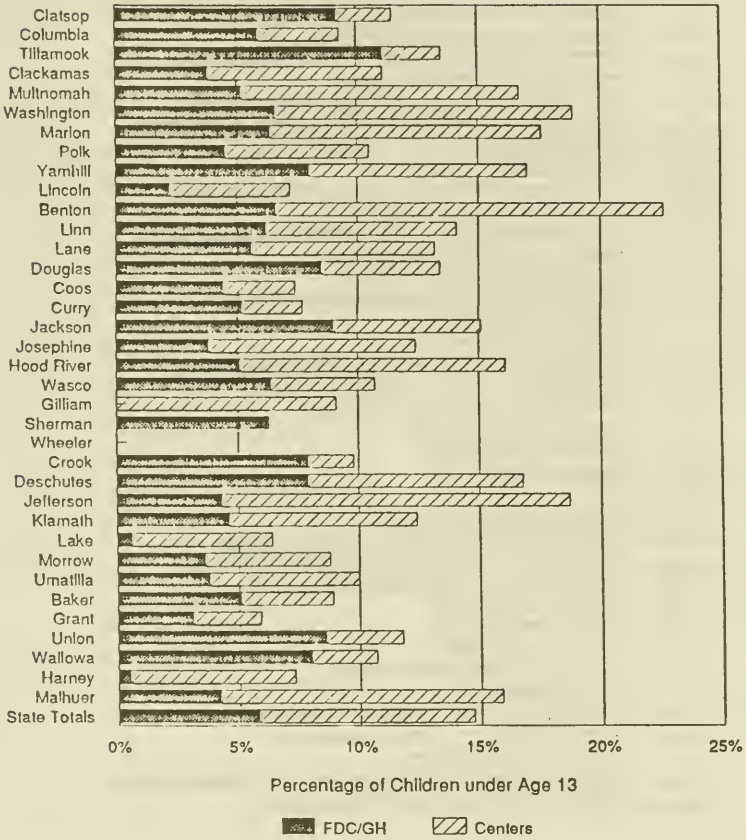
The Families and Work Institute has selected Oregon as the site most ready to meet the challenge of identifying and measuring quality in child care. Through a project of the Oregon Child Care Resource and Referral Network the child care community will be working with parents, employers and other decision makers to answer the question, "What is the quality of existing child care?"

Supplemental Charts - County Data

### Identified Child Care Slots

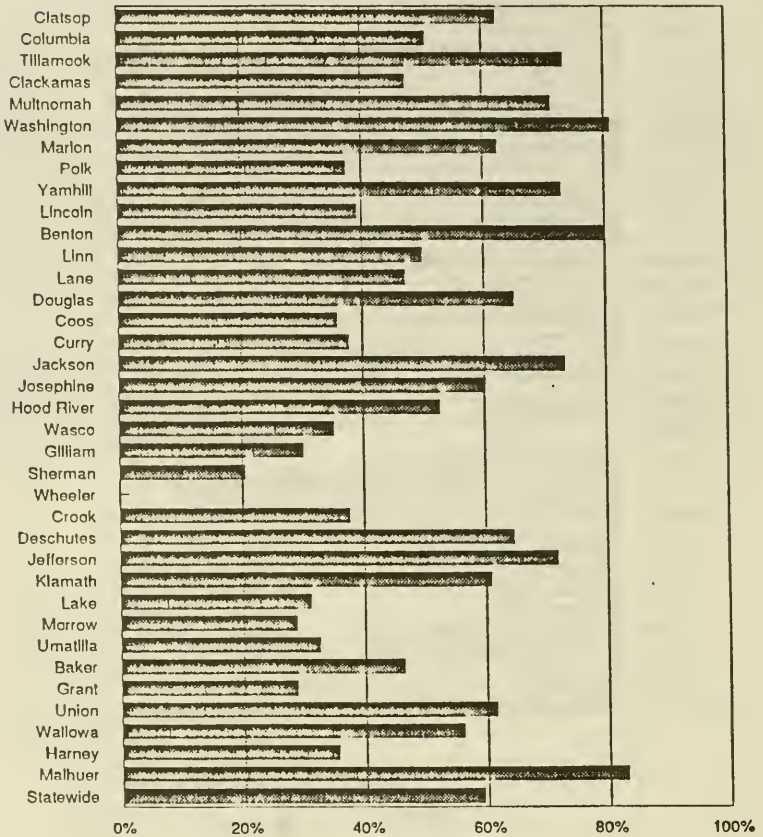


## Identified Child Care Slots





## Listed Supply as a Percent of Demand



# Child Care and Education: The Critical Connection

## *Policy Statement*

September 1993

Child care and education continue to be viewed—and treated—as two separate processes, rather than as two sides of the same coin. Children need both, from birth, to grow and develop. Until we articulate and incorporate the link between child care and education—both in policy and in program dimensions—we will continue to short-change our children and their families.

Eleven million American children under age six need child care for all or part of their day. They need care that will help them grow and learn and be ready for school, not just care that will keep them safe, healthy and happy. Another 18 million school-age children need a safe and supportive place to be during the hours when school is not in session and their parents or guardians are at work. Yet this kind of care is unavailable to some, unaffordable to many, and of uncertain quality to all. Seventy percent of the child care in the United States is inadequate; caregivers do not have the experience or training they need to provide quality care, and licensing standards for these programs fail to guarantee the stimulation and attention children need. Not surprisingly, it is the children of the working poor and the middle class who are most likely to be in inadequate child care.

Child care is fragmented, poorly financed and hard to find. Moreover, rather than improving, its quality has actually declined over the past decade. Individual providers are isolated from others and do not see themselves as part of a common effort committed to achieving a national goal. Parents are faced with a confusing and chaotic array of choices.

Their choices are constrained on the one hand by the high price of many options and by the difficulty of collecting and evaluating information about them on the other. Planning and development of new resources take place at different, and uncoordinated, levels of government, and there is no single source of data on supply and demand. There is neither a comprehensive system of governance for child care nor any reliable source of financing for it. Second only to the clergy, child care workers are the lowest paid group of professionals in the country, triggering a high turnover rate and low quality child care, especially for the children of the working poor. A serious nationwide effort must be made to elevate the status of child care workers and to compensate them adequately if we are going to attract and maintain qualified, effective staff.

To ensure that every child gets a solid early childhood foundation, we must dramatically improve the quality and quantity of services available and develop strong connections to the public schools. This will require a significant investment from both the public and private sectors, and a change in current public attitudes toward child care.

A solid early childhood foundation through improving child care—and ensuring that it is available to all children who need it—is essential to attaining four of our nation's most urgent domestic goals.

**1 School Readiness.** The first of our National Education Goals is to assure that "by the year 2000 every child will enter school ready to learn." To

achieve this goal, we must recognize that there is no distinction between child care and education; *child care is the form that education takes for many of our youngest children*. By failing to comprehend fully this concept, we miss a great opportunity to give children the start they need during a crucial period of their development. By the same token, we must expand upon the notion of "school readiness" to emphasize the necessity for schools to be ready for children.

**2. Child Development.** Child care and education must meet children's emotional needs for security and affection, their cognitive need for stimulating play and learning activities, their physical need for good nutrition and health care, and their social need for positive interaction with adults and other children. Child care and school programs must also support strong families by providing parent education and by referring parents to the services they need to raise their children well.

**3. Workforce Competitiveness and Productivity.** If we are to generate new economic opportunities, we must expand and improve the services that parents depend on to enable them to balance their work and family responsibilities.

**4. Welfare Reform/Eliminating Child Poverty.** If we are to enable families to move from welfare to work, we must invest in both generations that are dependent on welfare by guaranteeing that children receive quality child care while their parents are in job training and when they enter the paid labor force.

To achieve these goals, we must focus on the child in child care. Throughout our nation's history, child care has been viewed as a social welfare service, as a means of caring for children when their parents could not. This limited way of thinking has prevented us from seeing the educational and developmental opportunities that we should be seizing upon.

During 1992-1993, the Child Care Action Campaign convened some of the best thinkers in the child care, child development and education communities in a series of seven regional meetings culminating in a national conference. These discussions have helped us identify the key ingredients of a system that provides quality care and education to our children. That system must be

built on the following principles:

1. Children, whether they live in urban, suburban or rural areas, must have universal access to an adequate supply of services, with parents paying fees based on their income.

2. Although every community may not offer all varieties of child care services, those provided must be of high quality.

3. Any system of care and education must allow parents, at each stage of their children's lives, to choose from among a variety of services that meet basic quality criteria.

4. The community, including parents and guardians of children, must be vitally involved in planning, developing and monitoring a system of education and care.

5. A commitment to eradicating the impact of poverty on children's growth and development, to eliminating racial and economic segregation in all child care-education settings and to valuing cultural and ethnic diversity must inform every stage of policy and program development.

6. The system of education and care must provide a continuous, developmentally appropriate learning experience for children from birth through their school years. The system should be structured so that the functions of education and care are not separate, whether they are delivered by families, schools, child care programs or any combination thereof. Families must have access to comprehensive services, including health screening, parent education and social services.

7. Teachers and caregivers must receive comparable training and compensation for comparable jobs, regardless of the setting or administrative authority.

8. The private sector—including corporations and philanthropies—must play a major role in planning for and developing new child care resources and in creating policies that enable parents to balance work and family.

9. More money must be invested in training, physical facilities and consumer education and protection so that quality services are affordable for all families.



# Child Care and Education: The Critical Connection

## Action Plan

Learning begins at birth, not on the first day of school. To ensure that all children get a solid early childhood foundation, we must dramatically improve the quality and quantity of services they receive. The first step in this effort is understanding that we can no longer afford to make a distinction between education and child care. Instead, we must recognize that the functions of each are inextricably intertwined. We must therefore develop ways for child care programs and schools to work together to give children and families access to them. This will require a significant investment from the public and private sectors and a marked change in current attitudes toward child care services. We define child care to include services delivered by families, schools, child care centers, Head Start, or any combination of these programs. Education takes place in each of these settings just as it does in the public schools.

The public schools are already a well-established system with a solid, if not uniformly exemplary, history of providing children, beginning at age five, universal access to education. Therefore, this Action Plan necessarily focuses more heavily on developing a viable national child care system that can be linked with the school system in a comprehensive approach to care and education.

Drawing upon the best practices and programs in states and communities across the country, we must create and adopt policies that enable parents to spend adequate time with their children and programs that promote children's healthy development. We are counting on the public and private sectors—parents, business, and federal, state and local governments—for their leadership, vision, legislative action and regulatory change. All are necessary to the successful building of such a system.

We are proposing a structure that builds on what services currently exist, but links them together through community resource agencies that enable parents to make appropriate choices and that plan and develop new services where necessary. Programs are most effective when they are family centered, when parents have a strong decision-making role, when staff is well trained and well compensated, when they offer children a variety of developmentally appropriate activities, and when health, nutrition and other social services are available to families that need them.

The core of this child care system is a unified, streamlined system of services accessible to all families and whose programs match the richness of this country's ethnic and cultural diversity. Although we recognize that parents want a choice of services, clear parental preferences are emerging, depending on children's ages. In line with these preferences, a comprehensive system of care and education would emphasize the following:

1. for infants and toddlers, a system of child care services in a variety of settings, including family day care and child care centers, with trained and credentialed staff who have experience and special training in early childhood development and health;
2. for three-, four- and five-year-olds, a system of centers that incorporates the best elements of Head Start and other model child care programs and that includes parent involvement and access to comprehensive health screening. These programs must be available on a full-day, year-round basis either in neighborhood centers or in school buildings;
3. school-based or school-linked programs for school-age children that may include extending and restructuring the school day.

We call on the business community to support its current work force and to nurture the next generation; to help build the system with funding, organizational assistance and other resources; and to increase its efforts to create a family-friendly workplace. Employees at such a workplace would be allowed the flexibility and time to be effective parents, to become partners in the child care and education system and to meet other family obligations, without compromising their contributions at work.

A solid early childhood foundation must include the following actions:

1. **Make quality child care affordable to all families.** All programs should be available to families on a sliding fee basis. At present, parents pay an average of \$3,300 a year for care; quality care, with adequate salaries for providers, costs \$8,000 a year. To bridge the gap between what parents can afford and what quality child care costs, the Dependent Care Tax Credit should be expanded significantly and made refundable. This would put money into the hands of consumers, including low-income families that do not now benefit from the tax credit. In addition, all existing programs for low-income families, including Head Start, the Child Care and Development Block Grant and Title IV-A, should be continued and expanded. Every state should be encouraged to provide a significant child care tax credit. We are proposing a pluralistic approach, similar to the way higher education is funded and governed—a mix of public and private institutions, with support from user fees, federal and state funding and corporate and philanthropic contributions.

2. **Ensure that all children are cared for in settings that are safe and health-promoting and that provide family-centered, age-appropriate learning experiences.** The debate over federal standards has proved extraordinarily divisive in the past. We believe it is time to take a new tack, one that incorporates incentives and guidance rather than prescription. The federal government should develop recommendations for state standards and provide technical assistance that will enable the states to improve standards and regulation. The federal government should require each state licensing office to review standards periodically and should provide incentives, in the form of increased federal funds, for states that improve their standards and

regulatory processes.

3. **Ensure that all families who use child care are able to make an informed choice about the program that best suits their needs.** If parents decide to use child care, they should be able to select from among a variety of programs, including family child care, in-home care, child care centers, Head Start and school-based, pre-school programs. Parents must have access to the information they need to choose the care that best suits their family's needs and to receive the support they need to pay for that choice.

4. **Extend the school day.** We ask the schools to respond to changing family circumstances and acknowledge that millions of school-age children of working parents are on their own before and after the school day. As a result, they are potentially at risk physically and emotionally. With the understanding that the schools should not be used merely to provide a physical space in which to "park" children until the end of the work day, these programs must be carefully designed to include developmentally appropriate activities. We challenge the schools to work together with the many interested constituencies and agencies in their communities to seize this new learning and caring opportunity.

As a first step, every school district should document the number of children going home to unsupervised situations after school and assess the need for services for them. A school- or district-wide plan should be developed to meet that need. School personnel should work with parent groups and a coalition of interested agencies, such as community centers, libraries and recreation facilities. The resulting program may have academic components, with tutoring, homework help, quiet study time and special interest classes, and recreational activities, with sports, games and clubs. In all cases, the extended day program must stimulate children and involve them in constructive and developmentally appropriate activities.

5. **Designate or create a community agency to coordinate child care programs.** At the community level, such an agency should coordinate all programs, whether they are funded by Head Start, the Child Care and Development Block Grant, Title XX, the Family Support Act, Title IV-A, state pre-kindergarten funds, Chapter 1 or special-needs funding.

The agency's responsibilities would include:

- consumer education to enable parents to choose the best care for their child;
- training for providers and program staff;
- development of mechanisms to assure that funds follow children from program to program;
- data collection;
- ongoing assessment of needs and resources;
- planning and system evaluation; and
- stimulation of collaborative planning among the funding agencies, businesses, private philanthropies and government.

The agency should have a local governing board that represents all interested parties, including parents, business, unions, child care providers, Head Start, schools, special needs agencies and other community agencies that deal with health, social services and recreation. Structured this way, the agency would encourage broad participation in policy development; demand cost-effective planning among funding and linking agencies; and make the system accessible and "user friendly" to families, providers, employers, funders and the community.

The agency could be a reconstituted resource and referral agency, community coordinated child care agency, family resource center, or a new agency set up to perform these functions.

6. Ensure that child care programs and schools collaborate. We urge the creation of a state division at the cabinet level that would be responsible for coordinating child care and early childhood education policy, with the authority to

dispense funds and to plan for and regulate all programs serving young children.

7. Encourage the development of a system of training. Our goal is well-compensated, quality personnel in all settings. Child care staff must have access to training and career advancement comparable to that of teachers in public schools. Cross-disciplinary training should emphasize child development and early education practices.

8. Develop leave and flexible work policies that enable parents to spend adequate time with their children. All employers, both in the public and private sectors, must establish policies that give parents the opportunity to care for new-born or newly adopted children and to balance family and work responsibilities. The Family and Medical Leave Act of 1993 (FMLA) deserves recognition, but only as a first step in a long journey towards a truly comprehensive family policy. Because the FMLA covers employers with at least 50 employees, 40% of the workforce does not benefit, and fully 95% of employers are exempt.

9. Encourage increased investment in child care and school-based facilities through public-private partnerships and through other community development strategies, such as community development banks and community investment funds.

10. Launch a major public education campaign to raise awareness of the critical connection between child care and education and create the public will for change. The success of such an effort would have a profound impact on our ability to move our agenda forward.



## About the Child Care Action Campaign

### What Is CCAC?

The Child Care Action Campaign (CCAC), a national, non-profit coalition of individuals and organizations, was formed in 1993 in response to our nation's child care crisis. Believing that child care can no longer be viewed solely as a women's issue, CCAC has taken the lead in making quality child care both a bottom line economic issue and a fundamental component of education reform.

CCAC's mission is to stimulate and support the development of policies and programs that will increase the availability of quality, affordable child care for the benefit of children, their families, and the economic well being of the nation. To achieve this goal, CCAC collaborates with and guides decision makers in the public and private sectors to develop child care policies and programs.

### Child Care and Education: The Critical Connection

CCAC's multi-year project, "Child Care and Education: The Critical Connection," is designed to eliminate the barriers between the care and education of children. The project has several major objectives: reform public discussion so that the existing dichotomy between early childhood education and child care is replaced by the concept that quality care and education are part of the same process; ensure that the child care needs of children and parents are addressed in the education reform agenda; and make this new vision of a continuous system of child care and education a broadly supported public policy. CCAC is convinced that the barrier between the care and education of children must be eliminated in order to provide comprehensive services to children and families.

Issued as part of our multi-year project, the Policy Statement and Action Plan formed the basis for discussion at the national conference CCAC held in April 1993 on child care and education. Together these documents provide clear principles for a system that makes quality care and education available to our children and outline the steps we should take to give every child a solid early childhood foundation.

Released in April 1993, *Where They Stand: A Digest of Organizational Policies on Child Care And Education*, summarizes the policies and recommendations of 45 national organizations in the areas of education reform, early childhood education, quality child care and collaborative approaches to the care and education of children. This digest is a valuable resource for advocates, policymakers and practitioners who are working to move the national dialogue about child care and education forward.

### What Are Some of CCAC's Other Projects?

CCAC's Family Support Watch program monitors the implementation of the child care guarantee and transi-

tional benefits of the Family Support Act, a bill enacted in 1998. CCAC develops materials and strategies to enable state and local organizations to reach out to potential recipients. CCAC has publicized its findings through press conferences and briefings.

Strategies for Financing Child Care is CCAC's program that analyzes novel approaches for financing child care and develops innovative strategies that will increase supply, improve quality and ensure equitable access to child care services. CCAC has established itself as the national child care organization that focuses on answering the key question: how can we pay for child care to ensure that it is accessible and affordable to all families?

CCAC's Parents' Agenda empowers parents by helping them to look for quality child care and telling them what steps they can take if they cannot find the care they need. CCAC is the resource for parents, having helped over one million since its creation in 1993.

CCAC's original research and groundbreaking publications are key elements in a national public education campaign to change attitudes about how our country cares for and educates its children and to provide parents, policymakers and businesses with the resources they need to understand the problem and work for change.

CCAC continues to affect public policy by providing cogent analysis, expert testimony and technical assistance to government leaders and policymakers on child care and family issues. CCAC works for the passage of legislation at the federal and state levels, including the Child Care and Development Block Grant, a landmark child care bill that was passed by Congress in 1990, and the Family and Medical Leave Act signed by the President in 1993.

CCAC's 500 member National Advisory Panel, comprised of the nation's top child care experts, advocates and practitioners is a potent force working to improve the lives of all of America's children. The Panel enables CCAC to be a clearinghouse for information on model child care programs and policies. Working with the Panel, CCAC has produced two guides for state and local activists: *Making the Connections: Public-Private Partnerships in Child Care* and *Not Too Small to Care: Small Businesses and Child Care*.

We hope that "Child Care and Education: The Critical Connection" will encourage consensus and promote collaboration among organizations concerned with the future of children and families, as well as public and private agencies at all levels of American government. If you would like to discuss the current activities of CCAC, conference presentations or other possibilities for collaboration, please contact Marilyn Flood, Program Director, at (212) 239-0136.

February 24, 1994

Senator Christopher Dodd  
Chairman, Subcommittee on Children, Families  
Drugs and Alcoholism  
Labor and Human Resources Committee  
United States Senate

Dear Senator Dodd and Members of the Committee:

It is a privilege to be able to share with you the important work our agency in Brown County, Wisconsin has been able to do with the support of the child care infrastructure created by the Child Care Development Block Grant.

In 1985 our agency was a service provided by a half time person located in a local child care center. We are now a nationally accredited resource and referral agency which provides service to 1,000 families per year in Brown county. We are currently expanding our service to four new counties.

We not only work collaboratively with the business community in assisting them with the child care needs of their employees but we assisted 200 families last year who were moving from welfare to work in finding quality care for their children.

Since CCC was established and began recruiting and training child care providers to meet the demand for care, licensed family day care programs have grown from 21 to 80, day care centers have increased from 34 centers to 50 centers. We also have 23 nursery school programs and 19 before/after school programs.

We are proud of the work that we have done but are concerned about our ability to meet the growing needs of a population whose child care needs are more difficult to resolve. We have a chronic shortage of care for infants, the babies of teen mothers and funding for welfare and working poor families. Nine percent of the

births in our county last year were to young women under the age of 19. Seventy families with 101 children receive assistance with Title IVA and Title IV At Risk Funds. Seventy three families are on a waiting list to receive child care assistance. Over 2100 families are currently on AFDC. All of these families need comprehensive support and assistance for their child care needs so that they can live in dignity, work and prosper.

As you consider the re-authorization of the Child Care Development Block Grant I urge you to put a face on each parent and child whose lives are immeasurably touched by the investment in their future; the investment you will make with the re-authorization of this important grant.

Sincerely,

*Jennifer Grondin*

Jennifer Grondin  
Executive Director  
Community Coordinated Care



# Community Coordinated Child Care (4-C), Inc.

5 Odana Court, Madison, Wisconsin 53719, Telephone 608-271-9181, Fax 608-271-5380

February 24, 1994

1993 - 94 BOARD  
OF DIRECTORS

Sen. Christopher Dodd  
Senate Committee on Labor and Human Resources  
Washington, D.C. 20510-6300

Dear Sen. Dodd:

We thank you very much for holding a hearing on "Child Care for Working Families: True Welfare Reform" today. It is in this setting that so many decisions are made that affect the lives of the families that use our child care resource and referral agencies across the nation. Thank you for your commitment to young children.

As part of one of the oldest child care resource and referral (CCR&R) agencies in the country, 4-C has a unique perspective. We have assisted more than 4,500 families each year since about 1977 with their child care searches. Each year, we are seeing a more enlightened group of parents making the best quality searches they can for their children. Since we work with every level of income and families in all types of circumstances, we have a great deal of experience knowing the concerns of parents as a group. However, we see an increasing frustration with a system that is trying to achieve high quality and becoming less affordable for a large segment of society.

The child care delivery system in Wisconsin has benefitted from federal legislation enacted in 1990 which offered the states an historic opportunity to develop new solutions to the shortage of quality services for young children and their families. We have over 13,000 young children on waiting lists, however, (at the time of the last Wisconsin survey) who cannot access child care funding.

Everyone concerned about child care needs some assistance -- from consumers to providers to local and state government officials, to employers and school personnel. Locally-based CCR&Rs such as 4-C offer a decentralized, personal approach to child care information, support and resource-building. Most CCR&Rs are supported by a combination of funding from city, county and/or state budgets, federal dependent care funds, businesses, corporate foundations, United Ways, universities and charitable organizations.



As we promote parent choice, work on the quality and supply of child care, and help coordinate programs for early care and education in our communities, CCR&Rs are central to the improvement of the child care system. We ask this body to help preserve and expand all existing public funding for CCR&R services, and in particular, we urge reauthorization at the President's budget level for the Child Care and Development Block Grant - including an increase in the quality set-aside. At the same time, we want to see a large increase in the amount of subsidy for low-income children, and a streamlined system which is more efficient and effective.

Thank you very much.

Sincerely,



Diane Adams, Executive Director

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State of California

**CHILD DEVELOPMENT PROGRAMS  
ADVISORY COMMITTEE**

915 Capitol Mall, Room 338  
Sacramento, California 95814  
(916) 653-3877



February 24, 1994

The Honorable Christopher Dodd  
Senate Labor and Human Resources Committee  
Labor and Human Resources Subcommittee on  
Children, Family, Drugs and Alcoholism  
639 Senate Hart Office Building  
Washington, D.C. 20510

Dear Senator Dodd:

**Re: February 24, 1994 hearing on the Federal Child Care and Development  
Block Grant**

The Child Development Programs Advisory Committee has directed me to advise you that while it overwhelmingly supports and applauds federal funding of child care through the Child Care and Development Block Grant Program, it wishes to advise you of three areas where improvement is warranted and to request your assistance in addressing these areas.

As you know, California has a 50-year history of subsidized child care. While it is proud of its accomplishments, the federal program has been difficult to integrate into that

system. In general, we recommend that the block grant be more flexible, especially for those states who have developed a prior system. There are several aspects of the federal bill and the federal regulations that do not fit easily into California's "child care infrastructure." These include:

- Definition of parental choice and child care certificates.
- Formula for spending on certificates and other direct services.
- Definition of quality is too restrictive if limited to five categories.

California has found that the 75 %/25% split of direct service and discretionary funds is arbitrary and interferes with the state maximizing the beneficial use of Child Care and Development Block Grant funds for children. In particular, restricting direct service funds to programs which require parental choice and excluding other forms of child care assistance such as center based funding is an unnecessary limitation on the use of these funds.

In addition, a ceiling of 75% of median income for participation in Child Care and Development Block Grant funded programs is a disservice to children who may find themselves deprived of a developmentally enriched child care environment simply because their parents have reached or exceeded the income limit. California's state funded programs restrict entry into subsidized child care to families at or below the 84% of the median income level but once enrolled allow the child to receive child care services until the families income level is up 100% of the median income level. Children benefit from the continuity of service this formula provides.

The Committee also believes that restricting the provider support and administration costs to 15% imposes a hardship on the ability of providers to serve families with unique child care needs. California has had to divert direct service funding in order to reimburse providers for

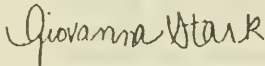
administrative and support costs not funded by the Child Care and Development Block Grant. This has had an adverse impact on California's state funded programs.

Further, California gives priority to children who are Child Protective Service (CPS) referrals in eligibility of subsidized child care and development programs. There is concern that these children are excluded from having priority eligibility in programs funded by the Federal Child Care and Development Block Grant.

It is understandable that the federal block grant was constructed in a way to satisfy a broad number of constituencies, and that the regulations had to be quite restrictive. But now that most states have had an opportunity to understand and begin the process, it is more important than ever to modify some of the restrictions and to allow more control for the states.

On behalf of the Committee, I thank you for your attention to these matters. We look forward to a continuing federal state partnership in providing child care services.

Sincerely,



Giovanna Stark  
Executive Director

cc: The Honorable Donna Shalala, Secretary of Health and Human Services  
Grantland Johnston, Region 9 Administrator, Health and Human Services

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## New Mexico Association of Child Care Resource and Referral Agencies

February 21, 1994

The Honorable Senator Christopher Dodd  
Chairman, Senate Subcommittee on Children, Family,  
Drugs and Alcoholism

Dear Senator and Subcommittee Members,

I have worked as the Child Care Resource and Referral Coordinator in Silver City, New Mexico for six months. During this short time, I have applied for two grants from the state to operate our agency on a shoe-string budget of \$40,000.00 (1993-94) and \$52,000.00 (1994-95) per year.

83% of the families from whom we have gathered income information meet income eligibility guidelines for child care subsidy payments. These families are looking for child care in order to work or to continue their education so they can gain skills in order to work. The adults who use our service are usually combining welfare with work, or are working poor. They need a great deal of support, encouragement and political infrastructure to help them on their way to independence.

There has proven to be an indispensable need for the services of the Resource and Referral Agency in order to support, encourage and enhance the quality of child care services to the Grant County area children and families. In six months, we have given 228 referrals to families to help access and assess quality child care by linking them to services offered by 64 child care providers listed on our data base. Furthermore, we have significantly contributed to the quality of child care services in our tri-county area (Grant County, Luna County and Hidalgo County) by providing training and workshops to 111 adults who work with young children. Additionally, we have a resource lending library to help families and care givers provide developmentally appropriate programs and activities for children. We have had 414 items borrowed from this library to date. Our staff has provided technical assistance to parents and providers on 95 different occasions within the last six months.

A recent data base up-date survey of our child care providers showed that over 75% of those surveyed found our newsletters helpful and were appreciative of the Resource and Referral services in helping them as they strove to provide quality child care services for families. Our statistics show that even as new as our service is to this area, people need, want and appreciate what our agency is doing in helping to insure the quality of child care to New Mexico families. Funding from the Child Care and Development Block Grant monies have made these services possible.

As impressive as some of our statistics might be in making a case for the need for our services and continued funding, I would like to demonstrate, in a more specific way, what our programming has done for one young teen parent and can do for others by sharing the following story. In July of 1993, a 17 year old teen mother, Megan Gutierrez, participated in a Resource and Referral sponsored week-long training targeted for care givers of young children. The training was provided by Magda Gerber, founder of the Resources for Infant Educators and focused on appropriate methods to implement when caring for infants. Megan has since participated in a series of follow up trainings with Rose Mary Martinez, the training coordinator. Recently she entered a local high school science fair in which she presented a project dealing with the issue of breast



feeding in infant care. As a result, she won a four-year tuition scholarship to Western New Mexico University. She plans to pursue child development courses. None of this would have been possible without Child Care Block Grant monies.

Our staff and the families we serve thank the supporters of funding programs which have been made available for child care services. We urge all decision makers to expand funding in order to increase the probability that our children of today, who will be our decision makers of tomorrow, are more than adequately cared for while, at the same time, ensuring that child care benefits are provided as families combine welfare with work, leave welfare for work and for families who are working but poor.

Testimony submitted by: Kathleen Trumbull  
CCR&R Coordinator  
WNMU, Silver City, New Mexico

*Kathleen Trumbull*



February 8, 1994

The Honorable Christopher Dodd  
Senator Labor and Human Resources  
Committee  
Labor and Human Resources Subcommittee  
on Children, Family, Drugs and Alcoholism  
Capitol Hill Office Building  
Washington, DC 20510

Dear Senator Dodd:

I urge you and your committee to support reauthorization of the Child Care Development Block Grant, as well as to support increased funding in this program.

Eliminating, or decreasing funding in this program would result in low-income working families who are

presently receiving help in paying for day care lose that assistance. The result would be an increasing number of families forced to leave the work force and enter the welfare system. The present program is underfunded. There are close to 500 low-income working families involving more than 700 children on the waiting list for day care assistance in Rhode Island. We know that some of these families have been forced to quit work because they cannot afford child care. Others have placed their children in unregulated, and sometimes unsafe, child care situations.

Additional funding is also needed to increase reimbursement rates to child care providers to the market rate or cost of care. Child care is an extremely underfunded industry. In Rhode Island child care providers who accept low-income children must accept a payment which is considerably less than the market rate or cost of care. This is putting a tremendous strain on programs. Continual underfunding will affect the quality of the program. It also limits choices for parents in that many programs must either limit or not accept state-subsidized children.

CCDBG monies have been used to establish and fund a Child Care Training System in Rhode Island. This program has been tremendously successful in meeting the training needs of the child care providers in Rhode Island. All research indicates a direct relationship between training of child care providers and quality of services provided. The continuation of this program is contingent upon reauthorization of the CCDBG.

The Block Grant has begun to address some of the needs of working families and child care providers. Reauthorization and increased funding is critical in order to continue that support.

Sincerely,

*Teresa DeBoise*

Teresa DeBoise  
Family Day Care Coordinator



# ZION CHILD DEVELOPMENT CENTER, INC.

702 Cincinnati Avenue • San Antonio, Texas 78201 • Phone: 732-8105

Carol O. Frye, Executive Director

February 23, 1994

The Honorable Christopher J. Dodd  
United States Senate  
Washington, D.C.

Re: Subsidized Child Care, Welfare Reform and Head Start

The Honorable Christopher J. Dodd,

I am the Executive Director at Zion Child Development Center in San Antonio, Texas, the 10th largest metropolitan city in the United States. Zion is a former Title XX Contract Center and is currently a vendor providing government subsidized child care in the Alamo Child Care Management Service Area (Alamo CCMS). The Alamo CCMS is the 2nd largest CCMS in the state of Texas and is presently serving about 8,000 low income children. Since 24% of all San Antonions live in poverty and approximately 85,000 of these people are children under 6, the current children being served represents less than 10% of the need. There are many more children sitting on Wait Lists whose parents sincerely want to train or work.

Zion Child Development Center is a private, non-profit child care center providing a unique, individualized preschool education based on Montessori principles and materials. The Center is an inclusive child care setting in which all children, regardless of abilities or disabilities are able to learn together. Zion has served primarily low income, single parent, minority families since 1971. For approximately the first 20 years of operation, Zion received federal, state and local government funding. Former government contracts have been replaced by a parent choice voucher system. Funding is inadequate and Wait Lists are long! Low income families with young children cannot wait!! Therefore Zion has developed a sliding scale fee system enabling more low income families to access affordable child care so parents can work and train. Zion has gone from 95 - 100% government subsidized child care slots to approximately 67%. Now 33% of the low income clients are barely able to pay 50% of the true cost of care. Many of the clients on the sliding scale system are people who have "fallen through the cracks", e.g. grandparents who have inherited young grandchildren, parents who go slightly over income eligibility guidelines, parents who go over the allowable college credit hours, parents who cannot survive lengthy Wait Lists for government funding, children with disabilities, and low income parents with disabilities.

Illiteracy, school drop out rates, teen pregnancies, juvenile crime, gang involvement, lack of accessible health care and affordable housing, lack of jobs, and drug and alcohol abuse are rapidly overtaking many of our high risk, low income families who have few resources for fighting back.

Innovation and creativity are needed on the part of policy makers, funding sources and providers if we all are to succeed in empowering low income citizens to become self sufficient and to successfully remove themselves from government assistance programs.

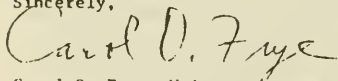
Reforms in the education system, in the health care system, in jobs and training programs, and in subsidized child care must be looked at and developed together not in isolation of each other.

Based on 10 years of experience in working with low income, single parent, minority families in San Antonio, I would like to make the following recommendations for your consideration:

- Consolidate multiple, independent government assistance programs into "one - stop shopping" sites where clients are certified by one trained assistance worker for all assistance programs, e.g. AFDC, Food Stamps, Medicaid, Child Care, Head Start, etc.
- Develop an Electronic Benefits Transfer System for AFDC, Food Stamps, Medicaid, Child Care and Head Start. This system would utilize a magnetic card (credit card) that is coded to authorize only those services the recipient qualifies for.
- Increase incentives for citizens to work and not receive government assistance.
- Require all active AFDC recipients to give 10 - 20 hours of community service in non-skilled labor that is currently being done by local and state government employees, e.g. custodial work in government buildings, lawn care in government owned and operated facilities, maintenance work, library work, street and highway repair, etc.
- Insure that all Head Start funds go to direct child care slots through a parent choice voucher system rather than to large agencies whose bureaucratic systems consume the limited resources.
- Encourage United Way funds to be dispersed to direct child care slots through a parent choice voucher system.
- Increase special funding for non-profit community service agencies providing innovative early childhood education programs that assist children at high risk for academic failure or children with disabilities.
- Establish Job training programs that insure self sufficiency.
- Continue to tighten child support enforcement across the United States.

On behalf of Zion Child Development Center and the low income families we serve, I respectfully urge you to review these recommendations to determine which ones you can play an active role in implementing.

Sincerely,



Carol O. Frye, N.A.  
Executive Director



# Sunshine Inn Day Care



*A Community Service Agency*

1117 Jefferson Street  
Kerrville, TX 78028



(512) 896-4424

(512) 792-4424

February 23, 1994

## General Info & History: Sunshine Inn Day Care Center

Sunshine Inn is a community service agency that provides child care, as well as training and employment assistance for low income parents. With Federal & State funding (CCDBG) Sunshine Inn serves and assists with:

- \*low income clients - 200 children ages 0-12
- \*coordinating employment & training for low-income parents
- \*the rising population of children who are emotionally and/or physically challenged (see Texas & Kerr County Demographics).

## Welfare Reform:

- \*S.S.I. and Kerr County citizens have collaborated to assist welfare clients in succeeding off of the system through training and employment.
- \*S.S.I. is actively researching training programs in hopes to implement a rural training project for welfare parents to become skilled child care providers.

## Working Poor:

- \*Many gaps of service still exist with Federal Welfare reform programs and Transitional Jobs that set welfare clients up for failure.

\*The working poor of Kerrville/Kerr County have been very poorly served since the State of Texas restructured their subsidized child care program from Title XX to Child Care Management System. The rural IVA and IVA at Risk clients find it impossible to compete on subsidized child care wait list that are biased toward low-income urban clients that have traditionally more social service resources than rural clients. In short the more social service resources one has the longer one can survive a wait list. Our most "at risk clients" however are forced to stay out of the employment and training arenas (see news article).

## What can be done:

Persevere and expand funding:

Increase funding to the Entitlement programs:

Transitional Benefits - 12 months of subsidized child care and Medicaid.

- \*Allow for these benefits to initiate immediately upon a client's qualified employment in comparison to the month to two month wait that post welfare clients are having to deal with, requiring them to provide for their child's child care with no financial assistance. Many lose their jobs immediately and this leaves a strong message of failure as they return directly to the welfare system.

\*Allow the receipt of child support in conjunction to employment earnings to qualify a welfare client for Transitional benefits. Currently if the child support arrives first and causes the working welfare client to be disqualified for welfare before her/his employment earnings are processed they cannot qualify for Transitional Benefits and thus no child care they loose their job - then they are back to welfare.

\*mandate that states reserve IVA at Risk monies for converting former Transition clients to Food Stamp and Working or Income Eligible clients as continued reduced assistance beyond 12 months has proven more beneficial in keeping post-welfare clients permanently free of the Welfare system.

#### Jobs - Benefits - Funding for welfare clients enrolled in qualified training

\*allow training to go beyond the current limit of 60 semester hours. We've had many rural clients that can be scholarshiped into four year programs only to drop out at 60 semester hours when child care funding ceases. Our desire should be to get our post welfare clients (single parents) to secure employment with a living wage that a four-year degree would assure.

\*broaden training components to involve more on the job training that assists the client in securing a job post training.

\*be more flexible on training requirements (more on-job training potential) to more non-traditional training programs in the rural areas where JOBS funding has been severely underutilized due to lack of higher education opportunities.

#### IVA and IVA at Risk Funding

\*increase funding to the working poor - as they have had marginal success in staying off the welfare system and continuing to work but only due to child care subsidies.

\*mandate that all states that are recipients of CCDBG monies subsidized child care wait lists are based on an at-risk priority system in conjunction with first come first served current policy so that At Risk clients are not discriminated against.

\*increase additional sets asides for quality improvement and enhanced rates for special needs children.

#### Suggestions for cost efficient use of Welfare Reform dollars:

\*less dollars to administration - huge bureaucratic "Kingdoms" have been built with our CCDBG monies state wide. We need to cut that back and see to it that those dollars make it to the children.

\*require community service work of welfare clients, with provision for child care, to pay back society for its help as well as raising the client's self-esteem, encouraging them to re-enter the working world sooner.

\*provide Welfare and Post-Welfare clients with a "credit card" driven system coded to reimburse all qualified services, i.e.—AFDC, food stamps, Medicare, day care, training, transportation, etc., cutting out so much bureaucratic middle man and paper work expense.

\*use Head Start monies as you have CCDBG monies—so that they are tracked to the child and the parent choice, not to bureaucratic agencies that require heavy administrative dollars to operate.

*Sharon Wipke*  
(present at hearing)

## CHILD POVERTY

Child poverty in Texas is shockingly high and rising. One out of four Texas children lives in poverty, and another child is born into poverty every 8 minutes in our state.<sup>2</sup> Over the past decade the percentage of poor children in Texas increased by 28.3%, more than twice the rate of increase in the U.S. as a whole. During that period, child poverty increased in 223 Texas counties. Of those, 14 counties experienced an increase in child poverty of greater than 100 percent.

Stereotypes about people in poverty are often misleading. While many decry welfare dependency, the vast majority of services targeted to low-income families actually go to children. Of all the individuals receiving Aid to Families with Dependent Children (AFDC), seventy percent are children. Fifty-six percent of Food Stamp recipients are children, as are fifty-three percent of all Texans covered under the Medicaid program.

*Seventeen Texas counties have a child poverty level higher than that of Detroit, the poorest city in the country. In 11 of those counties, more than 50% of the children live in poverty.<sup>1</sup> In 1980, only two Texas counties had a child poverty rate in excess of 50%.*

The growth in child poverty in our state is particularly alarming because the effects of growing up poor can last a lifetime. Poor children are more likely to have health problems, live in substandard housing, and miss out on quality early childhood care and education. The result is that they are far less likely to succeed in school. Sixteen-year-olds who have lived half of their lives in poverty are twice as likely as their peers who have never been poor to fall behind in school. Poor youths are almost three times more likely to drop out of school than their well-off counterparts.

*More than one tenth of Texas children are in families which qualify for AFDC, indicating that their income is an average of \$2,200 annually.*

They are also more likely to miss out on college.<sup>3</sup> Growing up in poverty dramatically reduces a young person's chances of succeeding in school and significantly increases their chances of future unemployment and low-wage jobs. The lasting impact of childhood poverty has grave repercussions for the our state and nation.

While Texas' child poverty rates are alarming, poverty rates among minority children in this state are particularly shocking. Of all Hispanic children, fully 40% live in poverty. African American children in Texas are similarly burdened, with 39% living in poverty.<sup>4</sup> Another group of children especially at risk of growing up poor is those living in female-headed households. While many single-parent households have adequate incomes and resources, others exist only marginally on a single salary, particularly those headed by women. The average income for female-headed households is 50-60% that of male-headed households. In Texas, 52% of the children in households headed by females live in poverty.<sup>5</sup>

*Among U.S. counties, Starr County has the fourth highest child poverty rate, with two in every three children living in poor families. Zavala County ranks 13th, with 59% of its children living in poverty.*



## MATERNAL AND CHILD HEALTH

Texas has struggled to improve its health programs for mothers and children in recent years, yet problems of maternal and child health persist. The percentage of babies born underweight has not improved in the past decade, while the percentage of pregnant women receiving early prenatal care -- one of the most effective preventive health measures -- has actually declined.<sup>4</sup> Texas ranks 48th in the nation on that measure, with one out of three pregnant women not receiving adequate care.<sup>5</sup> Further, children in Texas are not adequately immunized. For example, the Centers for Disease Control found that only ten percent of Houston children were adequately immunized by their second birthday.<sup>6</sup>

*In 83 Texas counties, Medicaid pays for the deliveries of more than 50 percent of the new babies.*

Despite program improvements, there remain significant barriers for women and children who attempt to use the current maze of services. Multiple programs offering assistance with slightly different eligibility guidelines pose a puzzle to those seeking assistance. Structural issues also present obstacles to participation. Many areas of the state simply do not have the facilities, equipment, and providers they need to care for their pregnant women and children. Lack of transportation further impedes access. In addition, Texas' low rankings in maternal and child health are exacerbated by the state's economic difficulties and a growing health care crisis of national proportions.

*In 17 Texas counties, more than 50% of the expectant mothers receive late or no prenatal care.*

Children who are born to mothers without prenatal care or who do not receive the immunizations and health care they need early in life will not be prepared to achieve in school or in the work force. The socioeconomic future of our state depends in large measure

on how we care for our pregnant women and children. The state could make relatively small investments now which would save taxpayers significant costs in the future.

*Bexar, Dallas, Harris, Tarrant and Travis Counties each serve less than a third of the eligible WIC clients.*

Several state programs currently offer opportunities for these types of early investment. With 37% of the live births statewide being paid by for the Medicaid program, prenatal care for the mothers of these babies would be a sound investment. It has been

shown that every dollar spent on prenatal care saves over \$3 in neonatal intensive care costs alone.<sup>7</sup> A screening program under Medicaid - Early and Periodic Screening, Diagnosis and Treatment (EPSDT) - can identify early health and developmental problems in children and has been shown to lower future medical costs by 10%. The Women Infants and Children (WIC) program, a nutritional program for pregnant women and children, has also proven cost-effective. A special U.S. Government Accounting Office (GAO) report showed that every dollar that Texas invests in the WIC program saves \$2.44 in the state's Medicaid costs alone. Despite these apparent savings, Texas only serves 34% of the women and children eligible to receive WIC benefits.

## EDUCATIONAL INDICATORS

The path to high school graduation begins before birth with good prenatal care and continues with childhood experiences that encourage rather than stifle curiosity and eagerness to learn. Unfortunately, many Texas children do not succeed in school due to poor health and nutrition and inadequate access to quality early childhood education. The public education system itself often does not provide exposure to qualified teachers, innovative teaching methods, high quality textbooks and teaching materials, but these are part of larger challenges facing Texas' educational system. There are, however, existing programs that can give children a positive start and support them while they continue to learn. Head Start and Prekindergarten can provide a foundation for learning, and the food and nutrition programs, like the National School Lunch and Summer Food Service programs, can keep children healthy while they progress in their education.

*Of the 108 counties lacking a Summer Food Service Program, 37 counties have 50% or more of their school children relying upon the school lunch program for nutrition during the school year.*

Texas has fallen short in providing programs to preschoolers that help to ensure school success. Public school prekindergarten is available in only 60% of all school districts, and Head Start is available in only 184 of Texas' 254 counties. In addition, quality child care services can be hard to find, and many subsidized programs have daunting waiting lists. More and more parents depend upon child care or early childhood programs in order to work. Unfortunately, too many children have little access to quality early childhood programs. As a result, many children receive inadequate care and education, leaving them ill equipped to start school.

Beyond early childhood education, many other services can be important in supporting students and families. The National School Lunch Program and the Summer Food Service Program are two programs that help ensure that children receive adequate nutrition both while in school and during the summer. The link between proper nutrition and learning is well-documented. It is clear that hungry children cannot learn. In Texas, 46% of all school children depend upon the

*Six counties have a drop out rate above 25%, twice that of the state average.*

National School Lunch program as a critical supplement to their daily diets. Unfortunately, only one tenth of these students have access to similar summer meals through the Summer Food Service Program.

Successful education outcomes depend in large part upon a comprehensive approach to the needs of children. This approach includes developmentally appropriate early childhood experiences and attention to the health and nutrition of children as they continue to learn. More attention must also be given to helping students stay in school. Texas' high school graduation rates lag far behind most of the nation. Texas must make a stronger commitment to the education of its children if it is to succeed.

*Thirty-six counties do not offer PreK. In twenty of these counties, more than 25% of the preschoolers live in poverty.*

## CHILDREN AND FAMILIES IN CRISIS

Hundreds of thousands of Texas children do not receive the care and nurturing they need. Many of these children grow up in neighborhoods plagued with violence and families struggling with daily crises. Others live with parents who are abusive and neglectful or are too young to assume parenting responsibilities.

*Juvenile crime is pervasive, affecting both rural and urban counties. Only 31 counties had fewer than 10 referrals to Texas Juvenile Probation Commission (TJPC) in 1991.*

An indication of this growing crisis is the increasing number of Texas children who are becoming embroiled in the criminal justice system, either as victims or as perpetrators of crime. In FY 1991, 15,378 children were sheltered in family violence shelters.<sup>10</sup> In FY 1992, there were 39,674 confirmed cases of child abuse and neglect, involving 100,995 children.<sup>11</sup> These are only the confirmed cases of abuse and neglect; many more children are believed to be victims of violence and abuse.

Texas youths are increasingly involved in criminal activity as perpetrators. In 1991, 72,182 juveniles were referred to the Texas Juvenile Probation Commission.<sup>12</sup> The number of serious crimes committed by juveniles has been on the rise in recent years with 35,650 felonies committed by juveniles in 1991.<sup>13</sup> Juvenile violent crime has risen by more than 100% from 1987 to 1991.<sup>14</sup>

Many of these families and youth can be helped. However, Texas has not chosen to invest adequately in preventive programs for youth and in early intervention for young children. The result is that the state's taxpayers bear much greater costs when the child protective system, mental health system, or criminal justice system is forced to intervene. Texas spends an average of \$40,000 per year to keep a youth in a juvenile detention center. For approximately the same amount, the state could provide a continuum of services over a child's lifetime, beginning with prenatal care and preventive health care, and continuing with early childhood education, supplemental education services, summer jobs, and post secondary education.

Another trend that affects families and youth in Texas is the number of children having children. Teen pregnancy in Texas has reached alarming levels. In 1991, 50,794 babies were born to women aged 19 and under.<sup>15</sup> Children born to these young mothers are more likely to grow up in families plagued by instability and poverty, leaving them at higher risk of becoming victims or perpetrators themselves.

*TJPC reported juvenile felony referrals in 240 counties in 1991.*

## THE STATE OF TEXAS

## CHILDHOOD POVERTY

Total Population  
16,986,510Child Population  
4,749,480

	1980	1990
CHILDREN IN POVERTY:	791,228	1,140,367
	18.7 %	24 %
<i>Child poverty in Texas has increased by 28.3 % since 1980.</i>		
Child Population (Age 0 - 6):	1,647,180	
Percent in Poverty:	25.6 %	
Children in Female-Headed Households:	904,141	
Percent in Poverty:	52.3 %	
Children in the AFDC Program:	529,396	
Children receiving Food Stamps:	1,397,466	



## RACIAL AND ETHNIC BREAKDOWN OF CHILDHOOD POVERTY

Race/Ethnicity	Percent in Poverty	
	Age 0-6	Age 0-18
White	19.3	18.3
Black	42.3	39.3
Hispanic	41.3	40.2
Asian or Pacific Islander	14.2	15.6
American Indian, Eskimo, Aleut	26.0	25.6
Other	41.9	24.3

## MATERNAL AND CHILD HEALTH

There were 315,487 live births in Texas in Fiscal Year 1991. Of those deliveries, 36.6 % -- 115,552 births -- were paid for by Medicaid.

Low Birth Weight Rate:	6.0 per 100
Infant Mortality Rate:	8.9 per 1,000
Pregnant Women Receiving Late or No Prenatal Care:	32.5 %
Women Infants and Children (WIC) Participants:	476,745
Percent of WIC Eligibles Served:	34.38 %
Children in Medicaid:	880,770
Number of EPSDT Screens Conducted:	252,388

## EDUCATIONAL INDICATORS

Children in Pre-Kindergarten Programs:	87,356
Children in Head Start Programs:	33,595
Combined Average Daily Attendance (ADA) in County School Districts:	3,244,496
Percent of Students approved for Free and Reduced Priced School Lunch:	46.0 %
Drop-Out Rate (Age 16 - 19):	12.9 %
Number of Counties with Summer Food Programs:	108

## CHILDREN AND FAMILIES IN CRISIS

Children in Family Violence Shelters:	15,378
Children Involved in Child Abuse Cases:	110,811
Juveniles Referred to Texas Juvenile Probation Commission:	72,182
Number of Delinquents committed by Juveniles:	25,650
Teen Fertility Rate:	28.3 per 1,000

## Texas

## State Average

Childhood Poverty Rate	25.6 %
Eligible WIC Clients Served	34.38 %
Late or No Prenatal Care	32.5 %
Teen Fertility Rate	28.3 per 1,000
Births Paid by Medicaid	36.6 %
Low Birth Weight Rate	6.0 per 100
Infant Mortality Rate	8.9 per 1,000
Drop Out Rate	12.9 %



## COUNTY

Population  
301Child Population  
8,188

## CHILDHOOD POVERTY

	1980	1990
CHILDREN IN POVERTY:	1,215	1,682
	18.6 %	20.6 %
Child poverty in Kerr County has increased by 113% since 1980.		
Child Population (Age 0 - 6):	2,875	
Percent in Poverty:	45.5 %	
Children in Female Headed Households:	1,559	
Percent in Poverty:	43.2 %	
Children in the AFDC Program:	771	
Children receiving Food Stamps:	2,366	

## RACIAL AND ETHNIC BREAKDOWN OF CHILDHOOD POVERTY

Race/Ethnicity	Percent in Poverty	
	Age 0-6	Age 0-18
White	14.7	18
Black	60.4	45.5
Hispanic	22	30.8
Asian or Pacific Islander	n/a	n/a
American Indian, Eskimo, Aleut	n/a	n/a
Other	26.9	37

## MATERNAL AND CHILD HEALTH

There were 162 live births in Kerr County in Fiscal Year 1991. Of those deliveries, 50% - 233 births - were paid for by Medicaid.

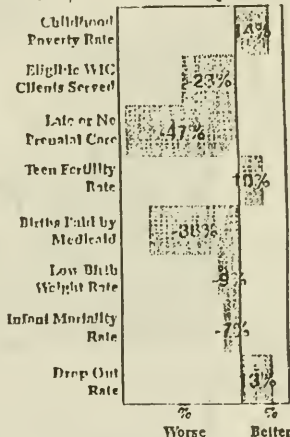
Low Birth Weight Rate:	7.6 per 100
Infant Mortality Rate:	9.5 per 1,000
Pregnant Women Receiving Late or No Prenatal Care:	47.7 %
Women Infants and Children (WIC) Participants:	618
Percent of WIC Eligibles Served:	26.7 %
Children in Medicaid:	1,418
Number of EPSDT Screens Conducted:	1,248

## EDUCATIONAL INDICATORS

Children in Pre-Kindergarten Programs:	115
Children in Head Start Programs:	75
Combined Average Daily Attendance (ADA) in County School Districts:	5,566
Percent of Students approved for Free and Reduced Price School Lunch:	15 %
Drop-Out Rate (Age 16 - 19):	11.2 %
Summer Food Program:	No

## CHILDREN AND FAMILIES IN CRISIS

Children in Family Violence Shelters:	51
Children involved in Child Abuse Cases:	164
Juveniles Referred to Texas Juvenile Probation Commission:	199
Number of Felonies committed by Juveniles:	46
Teen Fertility Rate:	25.6 per 1,000

Kerr County  
Compared to State Average



# DAY CARE: IS THERE A CRISIS?

*Upcoming meetings to focus on local day care issues*

By LINDA BYRNE  
Times Lifetime Editor

KERRVILLE — The only snowed-out day care in Kerr County is at the day care center in Kerrville. Day Care Center has been snowed out of its local center for well over a year.

With many day care centers, out in the country, the day care center in Kerrville is the only one that is not a licensed day care center.

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## Part One of a Series

child care.

There are more than 100 children on the child services waiting list for residential child care — concepts to start up as soon as possible.

There are no 24-hour or weekend facilities. Parents are not allowed to work or overtime are required to move their children from one caregiver to another.

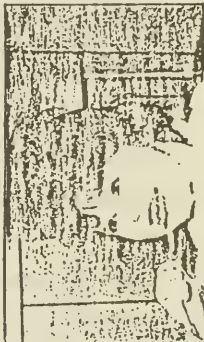
The cost of child care in licensed homes is less than \$100 a month. The cost of child care in licensed homes is less than \$100 a month.

Only a small amount of money work for caregivers is available in the Kerrville area. More local training programs are needed to be developed for caregivers.

The 1990 census shows 2,273 children four years and under living in Kerr County. 161 in Kerr County are in day care. 161 in Kerr County are in day care.

But because many children are cared for at private homes, there is no way of accurately determining how many children are in day care.

According to Sharon Grimes of the Texas Department of Human Services, caregivers provide care for three or four children in their homes. They are not required to meet minimum licensing standards set by the department and are not included in the department's statistics.





Sullivan County  
Child Care  
Council, Inc.



P.O. Box 864, Liberty, New York 12754 / (914) 292-7166

CHILD CARE IN SULLIVAN COUNTY  
A LOCAL FACT SHEET

Information compiled by:  
Sullivan County Child Care Council  
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Quality Child Care is Hard to Find

The Sullivan County Child Care Council estimates that as many as 2,800 children under the age of five need out of home child care. Another 2,100 children ages six to twelve are in need of before or after school care and summer care.

The Council's statistics indicate that infant care, weekend and night care are the most difficult types of care for parents to access, due to both cost and availability.

Existing Services - Sullivan County

- \* There are presently 66 full-day child care programs
- \* These programs serve 727 children
- \* 6 Child Care Centers
- \* 42 NYS Registered Family Day Care Providers
- \* 18 NYS Licensed Group Family Day Care Providers
- \* 3 School Age Child Care programs
- \* School Age programs serve 304 children

Through not full-day, year-round programs, Head Start and the two pre-schools in Liberty are important providers of early childhood education for low-income pre-schoolers. Head Start will operate 4 centers serving 250 children in 1994 and still have a waiting list.

These facts indicate that much more needs to be done. While the supply of regulated care has doubled since 1992, this still only allows approximately 26% of parents access to quality child care. The remaining 74% are forced to rely upon unregulated sources of child care. This particularly evident in two critical areas - infant care and school age child care.

Child Care Costs - Sullivan County \*\*

- \* \$85 - \$102 week/child average cost for center based care
- \* \$60 - \$86 week/child average cost for regulated family care.

Child Care Subsidies

- \* 110 children of low income working parents will receive subsidized child care in 1994. There are twice this number that will apply and be forced to go on a waiting list. The more marginally employed will be forced to go back to Public Assistance.



\* The cost of child care is an entitlement program under the JOBS program and for public assistance. Jobs recipients receive the same rate as low income parents. Public Assistance recipients who wish to begin a new part time job or return to school and do not come within certain guidelines will only receive less than \$41/week for child care.

The supply for some areas of child care has increased but there is a critical need for more subsidized low income child care. The impact on a single parent household can be devastating. Let's stop blaming the victim. These parents want desperately to work and stay off public assistance. Many are forced to accept questionable child care because this is all they can afford. No parent should be forced to make this choice.

THE CHILDREN ARE OUR FUTURE  
WHO IS WATCHING OUR CHILDREN?

High quality child care services are defined as those which:

- \* Provide group sizes and staff-child ratios that promote optimal development
- \* Offer developmentally appropriate programs
- \* Are staffed by individuals with appropriate training who receive sufficient compensation

New York State regulated child care has done a commendable job in the first two areas. Now it's time to accomplish the third.

There needs to be more training available for child care providers in all areas of regulated care.

Finally, we annually lose some of our outstanding child care providers because they can no longer exist on the salaries that are 25 to 75% below public school employees. If we could view the field of child care as providers of early childhood professional services, perhaps we would start paying on a rate which is about half what a teenager receives for babysitting.

- \*\* These figures represent average NYS regulated Market Rates.  
The true cost of care is nearly 50% higher.

Senator WELLSTONE. The hearing is adjourned.  
[Whereupon, at 12:25 p.m., the subcommittee was concluded.]

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